

Virginia Weatherization Assistance Program Operations

Manual

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Chapter 1 – Eligibility

Client Eligibility

Client eligibility requirements for the Weatherization Assistance Program (WAP) and the Low-Income Home Energy Assistance Program Weatherization Component (LIHEAP) are established by federal regulations issued by the U.S. Department of Energy and U.S. Department of Health and Human Services; and by policy determined by the Virginia Department of Housing and Community Development. Weatherization services may be received by any applicant who meets the income eligibility requirement established below:

1. A household whose annual income *does not exceed* the established poverty level or the State Median Income for the Commonwealth of Virginia as defined by current federal program guidelines.
2. A household with an occupant who has received cash assistance payments (SSI) under Title IV or XVI of the Social Security Act at anytime during the 12-month period preceding the determination of eligibility for weatherization assistance.
3. A household residing in a property which has not been previously weatherized (*see “Re-weatherization” addressed later in this chapter for more information*).

Income eligibility is based on the combined income of all household occupants **over** the age of 18 at the time of application. (Exceptions and further definitions of income are available in attachment one from this chapter). Subgrantees must re-certify income if more than 12 months have elapsed from the date of initial certification if audit of the unit has not commenced. If the client’s income status has changed during that time period the client’s eligibility status must be revised.

If income eligibility is determined by the Low-Income Home Energy Assistance Program (LIHEAP) or the 100% HUD List for multi-family, then eligibility documentation can be a copy of the LIHEAP eligibility document or a HUD client income list. Self-Certification: After all avenues of documenting income eligibility are exhausted, self-certification is allowable, but evidence of the various attempts at proving eligibility must be contained in the client file, including a notarized statement signed by the potential applicant indicating that he has no other proof of income.

The client shall be identified as the resident (occupant) of a housing unit and may be either the property owner or a tenant. When the client is a tenant, the property owner must authorize in writing all weatherization work prior to the receipt of services (including property inspection and audit).

No client, or potential client, may be refused service or discriminated against due to ethnicity, age, familial status, gender, sexual orientation, religion, or disability. Discriminatory practices may result in the suspension and/or termination of the program contract.

Ineligible Clients and Application Denial

Applicants who meet the income requirements may be ineligible for assistance based upon a range of additional factors including, but not limited to, the following:

1. A household member has health conditions that prohibit the installation of insulation or other necessary weatherization materials;
2. A household member is uncooperative, threatening, or abusive to the crew, subcontractors, inspectors, auditors, etc.;
3. Illegal activities in the house or on the premises.

For a non-US citizen to receive Weatherization services they must meet one or more of the criteria established by **8 CFR Part 104** (published 08/04/1998) and listed below:

1. The alien is granted asylum under section 208 of the Immigration and Nationality Act (the “Act”);
2. The alien is a refugee admitted under section 207 of the Act;
3. The alien is paroled to the US under section 212 (d)(5) of the Act for at least one year;
4. Any alien whose deportation is being withheld under section 241 (b)(3) of the Act; or whose removal is being withheld under section 243 (h) of the Act;
5. The alien is granted conditional entry under section 203 (a) of the Act;
6. Any alien who is a Cuban/Haitian entrant as defined in section 501(e) of the Refugee Education Assistance Act (1980);
7. An alien, or child or parent thereof, who has been battered or subjected to extreme cruelty in the US and otherwise satisfies the Act; or
8. The requirements of 8 U.S.C. 1641(c).

Non-citizens who fail to meet one or more of these criteria, are not eligible to receive Weatherization services.

Applicants denied services for any reason must receive clear written notification that their application for assistance has been denied and the reasons for their denial. The notice of denial must be properly documented within the agency records. Agencies must have a written client appeals procedure that is clearly stated in the denial notice.

Property Eligibility

An eligible property is one that has not received Weatherization assistance previously and is occupied by an income eligible household. (*See “Re-weatherization” for more information*).

Eligible property types may be single-family residences (1-4 units), multi-family residences (5 or more units), owner-occupied, or rental units.

Ineligible Properties

Properties occupied by ineligible households are not eligible for weatherization.

Properties that may be ineligible for weatherization include, but are not limited to:

1. the building structure is not safe or structurally sound;
2. the sewage system has failed and requires correction prior to installation of weatherization measures;
3. other sanitary factors are present that prohibit the timely and efficient installation of weatherization measures;
4. completion of weatherization work would endanger the client or providers;
5. the property (house) has been condemned or slated for demolition
6. the presence of actionable levels of lead-based paint that cannot be mitigated by lead-safe weatherization; and
7. the presence of severe moisture problems that cause mold that cannot be corrected by installation of weatherization measures.
8. property is planned for relocation or sale
9. planned property rehabilitation that will degrade installed weatherization measures
10. if the job costs would cause the agency to exceed the maximum average job cost or to exceed maximums established in local policy.

Re-weatherization: Any dwelling weatherized after September 30, 1994, or any subsequent date as established in 10 CFR 440 subpart §440.18 as amended, is not eligible for weatherization. Subgrantees must report re-weatherized homes on their monthly report.

Prioritization

Eligible clients receiving assistance are prioritized through DHCD's electronic database which establishes priority based on federal regulation.

Priorities include households with 1) person(s) 60 years of age or older; 2) person(s) with disabilities; 3) child(ren) ; 4) households with no heat; and 5) cases that are time sensitive and leverage other funds. Time on the waiting list is also a factor.

Client Intake

Sub-grantees must ensure that they conduct and maintain a client intake process that is well planned, consistently administered, and updated regularly to include annual changes in established income ceilings, program disclaimers, and timely and important revisions to the implementation guidelines.

An application for weatherization assistance must be signed by the applicant verifying accuracy of applicant information. The property owner must provide a signature authorizing weatherization work for a property. If the applicant is the owner, only one signature is required. For a HUD list multi-family project, only the owner must sign authorizing work.

Client eligibility is determined based upon information provided by the client during their intake process. The process may include:

1. an application
2. an interview
3. eligibility determination
4. verification of reported income **(Hard copy documents required)**

An application shall include:

1. name of the applicant
2. physical address, mailing address, and directions to the to the property to be assisted;
3. name and mailing address of the property owner if different from the occupant.
4. telephone number, cellphone number, work telephone number,e-mail address (if applicable), or some other reliable means of communication and contact for the occupant;
5. telephone number, cellphone number, work telephone number, or e-mail address (if applicable), or some other reliable means of communication and contact for the property owner;
6. names and ages of all occupants of the property to be assisted;
7. income of all occupants 18-years of age and older
8. age and condition of the of the property;
9. signatures authorizing verification of income, authorization to disclose their information within the agency or with related agencies to complete their eligibility review. Hard copy documentation of income and ownership is required.

DEFINITION OF INCOME

A. INCOME: Income means Cash Receipts earned and/or received by the applicant before taxes during applicable tax year(s) **but not** the Income Exclusions listed below in **Section C**. Gross Income is to be used, not Net Income.

B. CASH RECEIPTS: Cash Receipts include the following:

1. money, wages and salaries before any deductions;
2. net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
3. regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, training stipends, alimony, and military family allotments;
4. private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments;
5. dividends and/or interest;
6. net rental income and net royalties;
7. periodic receipts from estates or trusts; and
8. net gambling or lottery winnings.

C. INCOME EXCLUSIONS: The following Cash Receipts **are not** considered sources of Income for the purposes of determining applicant eligibility:

1. capital gains;
2. any assets drawn down as withdrawals from a bank;
3. money received from the sale of a property, house, or car;
4. one-time payments from a welfare agency to a family or person who is in temporary financial difficulty;
5. tax refunds;
6. gifts, loans, or lump-sum inheritances;
7. college scholarships;
8. one-time insurance payments, or compensation for injury;
9. non-cash benefits, such as the employer-paid or union-paid portion of health insurance;
10. employee fringe benefits, food or housing received in lieu of wages;
11. the value of food and fuel produced and consumed on farms;
12. the imputed value of rent from owner-occupied non-farm or farm housing;
13. Depreciation for farm or business assets;
14. Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance;
15. combat zone pay to the military; and
16. Child Support, as defined below in **Section E**.
17. Reverse mortgages;
18. Payments for care of Foster Children;

D. PROOF OF ELIGIBILITY: Grantees and subgrantees are reminded that proof of income eligibility should be included in the client file.

1. **Availability of Supporting Documentation:** For purposes of review and audit, each client file must contain an application from the client that contains the required demographics and income for the entire family living in the residence. The file must also contain evidence provided by the subgrantee that the client is eligible to receive WAP services. This evidence may include, but is not limited to, a memorandum from a third party certification office stipulating the income levels of the family or source documentation for each income source listed on the application. These documents can be stored electronically or retained in hard copy for each client.

2. **Eligibility Determined by Outside Agency/Program:** If income eligibility is determined by an outside agency or program, i.e. Low-Income Home Energy Assistance Program (LIHEAP) or the U.S. Department of Housing and Urban Development (HUD), any document used to determine eligibility, such as a copy of LIHEAP eligibility or a copy of the HUD building list, will suffice as evidence of client eligibility. This document and any related documents must be retained in the client file. The HUD eligible building list can be found at:
http://www1.eere.energy.gov/wip/multifamily_guidance.html

3. **Self-Certification:** After all other avenues of documenting income eligibility are exhausted, self-certification is allowable. However, evidence of the various attempts at proving eligibility

must be contained in the client file, **including** a notarized statement signed by the potential applicant indicating that he has no other proof of income.

E. CHILD SUPPORT: Child Support payments, whether received by the Payee or paid by the Payor, **are not** considered Sources of Income for the purposes of determining applicant eligibility.

1. **Payee:** Where an applicant receives child support from any state program or individual during an applicable tax year, such assistance **is not** considered Income for the purposes of determining eligibility (i.e., where an applicant receives Child Support, he or she **does not** add that amount to his or her calculation of income for purposes of determining eligibility).

2. **Payor:** Where an applicant pays child support through a state program and/or to an individual, such assistance **is not** considered income for the purposes of determining eligibility (i.e., where an applicant pays Child Support, he or she **may not** deduct said assistance from his or her calculation of Income for the purposes of determining eligibility).

F. ANNUALIZATION OF INCOME: Where an applicant receives income for a part of the applicable tax year, their partial income may be annualized to determine eligibility. *Example:* Applicant A received income during January, February and March. The method of annualizing income to determine eligibility could be multiplied by four to determine the amount of income received during the year. The method of calculating annualized income is to be determined by the Grantee and must be applied uniformly by all subgrantees.

G. RE-CERTIFICATION: An applicant must be re-certified when eligibility lapses due to the length of time the applicant was waiting to receive Weatherization services. As a reminder, re-certification of eligibility must occur at least every 12 months. The Grantee must outline the method of determining re-certification in their Grantee Plan for approval by DOE.

H. INCOME LIMITS

It is the responsibility of the sub-grantees to obtain the updates from the LIHEAP Clearinghouse website. DHCD will make every effort to send a notice out annually with the most recent income limits. Each sub-grantee is responsible for maintaining and utilizing the update released on the LIHEAP Clearinghouse effective October 1st of each year. The DOE regulations give the choice of using the 200% of Poverty or the LIHEAP Income Guidelines. Virginia currently utilizes the LIHEAP guidelines of 60% of SMI. This information can be located at the following website: <http://www.liheap.ncat.org/profiles/povertytables/FY2013/vasmi.htm>

Estimated Median Income

The estimated median income is prepared by the Administration for Children and Families, Office of Community Services, Division of Energy Assistance. In accordance with 45 CFR 96.85, 60 percent of each state's estimated median income for a 4-person family is multiplied by the following percentages to adjust for family size: 52 percent for one person, 68 percent for two persons, 84 percent for three persons, 100 percent for four persons, 116 percent for five persons,

and 132 percent for six persons. For each additional family member above six persons, add 3 percent to the percentage for a six-person family (132%) and multiply the new percentage by 60 percent of the state's estimated median income for a 4-person family.

Virginia State Median Income for FFY 2012/2013

60 Percent of Estimated State Median Income*					
1-Person Family	2-Person Family	3- Person Family	4-Person Family	5-Person Family	6-Person Family
\$27,209	\$35,581	\$43,953	\$52,325	\$60,697	\$69,069
7-Person Family	8-Person Family	9- Person Family	10-Person Family	11- Person Family	12- Person Family
\$70,638	\$72,208	\$73,777	\$75,347	\$76,917	\$78,487

* LIHEAP grantees must adjust their program's income eligibility criteria so that they are in accord with these estimates by October 1, 2012 (the beginning of FFY 2013) or by the beginning of a LIHEAP grantee's fiscal year, whichever is later.

Chapter 2 – Subgrantees

Subgrantees

DHCD annually receives funds to administer the Department of Energy Weatherization Assistance Program (WAP) and the Department of Health and Human Services Low-Income Home Energy Assistance Program Weatherization Component (LIHEAP) and is the program grantee. DHCD may subgrant to non-profit organizations and/or local governments to provide weatherization services to the homes of income eligible households within defined geographic service areas (locality or localities). These entities are the program sub-grantees.

Sub-grantees will be selected to provide weatherization services based on an application process announced periodically by DHCD. Successful applicants will receive grant agreements which carry a term of 1 year and must have and/or meet the following criteria:

- Possess all State required Licenses for work being conducted (for example contractor license, HVAC license)
- Experience in performance and application of weatherization activities or housing renovation
- Capacity, agency or subcontracted (personnel and equipment) to weatherize homes and provide timely and effective services
- Proof of Community Action Agency, non-profit or public entity
- If not a unit of local government, Applicant must submit a Letter of Recommendation from a unit of local government from areas where the Applicant has performed services. A Letter of Recommendation should be in the form of a letter supporting the Applicant's application
- Applicants must report any and all funds received from other federal, state, local or tribal government funding sources as evidenced by the most current monitoring letter from said entities that Applicants are in good standing with their programs.
- Applicants must not have repeat or unresolved financial audit findings as determined by DHCD in the WAP or by other funding agencies
- Applicants must describe any material, current or pending litigation, administrative proceedings or investigations that could impact the reputation or financial viability of the firm
- Applicant must be in "good standing" as of the date application submittal. In order to be in good standing, Applicant must not have a "suspended," "debarred" or HUD's Limited Denial of Participation status conferred upon it by DHCD and/or other funding sources
- The Grantee does not guarantee and is not obligated to award the Applicant's requested service territories. The Grantee may elect to make an award of a different territory than what is being requested by Applicant based on availability of funds, Applicant's requested service territory, Applicant's score on the scoring criteria and/or for any of the other reasons set forth herein
- The performance agreements between the Grantee and successful Applicants shall be for firm, fixed amounts

- All payments by the Grantee shall be made on an actual reimbursement basis

Sub-grantees may not contract the services of licensed contractors or sub-contractors whose business or corporate license has expired; that are debarred, suspended, or proposed for debarment; or whose license, business, or corporation has had a civil judgment rendered against them within the last three years for:

- a. commission of fraud;
- b. violation of federal or state anti-trust statutes;
- c. embezzlement, theft, forgery, bribery;
- d. falsification of records or making false statements;.
- e. receiving stolen property;
- f. charges or charges pending for any of the prior listed offenses;
- g. a public contract terminated for cause or default

Sub-grantees must receive written satisfactory ratings on annual or periodic monitoring compliance reviews to remain eligible to receive contracts to implement the weatherization program within their service area.

Grant Agreement

The grant agreement specifies the sub-grantee's duties and responsibilities, is a binding agreement between the sub-grantee and DHCD, and is enforceable under the laws of the United States and the Commonwealth of Virginia. Its parts may be clarified by memorandums and other correspondence; however, the basic provisions cannot be changed except by an amendment executed by legal representatives of both parties.

Personnel

Sub-grantees may maintain direct hire work crews (employees) or may hire sub-contractors to complete all or part of the grant activities.

DHCD requires that all sub-grantees adhere to all federal, state and local laws, rules and regulations regarding any hiring and retention of personnel. Legislated benefits accrued by the provider's employees are to be appropriately and legally administered. Failure of the sub-grantee to comply with these requirements may result in the suspension and possible termination of the WAP agreement. All program personnel are bound by the Codes of Conduct as stated in the Virginia Administrative Code.

DHCD must be notified within seven (7) business days of employee staffing changes, if and when the positions of the agency head, the CFO, the WAP financial person, the program manager, the database manager and any of the inspectors or auditors are altered.

Overtime Authorization (Expires 9/30/2013)

OMB Circular A-122 Cost Principles for Non-Profit Organizations, Section 8 (f) states:

Overtime, extra-pay shift, and multi-shift premiums establishes that “*Premiums for overtime, extra-pay shifts, and multi-shift work are allowable only with the prior approval of the awarding agency except:*”

(1) When necessary to cope with emergencies, such as those resulting from accidents, natural disasters, breakdowns of equipment, or occasional operational bottlenecks of a sporadic nature.

(2) When employees are performing indirect functions, such as administration, maintenance, or accounting.

(3) In the performance of tests, laboratory procedures, or other similar operations which are continuous in nature and cannot reasonably be interrupted or otherwise completed.

(4) When lower overall cost to the Federal Government will result.

As a result of input received from the WAP sub-grantee network during recent public input sessions, the Department of Housing and Community Development is providing written notice intended to give WAP network sub-grantees the ability to utilize overtime. This authorization is effective for the term of the ARRA contract between DHCD and a sub-grantee. This authorization is to increase production and meet the goals of the program.

Service Area

The WAP is administered state-wide. All Virginia jurisdictions are eligible for service. Each Virginia locality is eligible for funding based on low-income population census data.

Renewals:

All sub-grantees will be required to renew their eligibility to remain a weatherization service provider of weatherization when a grant application process is announced by DHCD. The applications for renewals may be for the current service area or for a revised service area. Grant agreements will be for a period of 1 year with renewals subject to satisfactory, periodic compliance reviews.

Sub-Grantee Suspension & Termination

DHCD may terminate a sub-grantee for failure to comply with the terms and conditions of their WAP contract if DHCD determines that the termination would be in the best interest of the Program. Reasons for termination may include, but are not limited to, work performance that fails to substantially conform to the requirements of the contract documents; refusal to proceed with the work; disregard for laws, rules, ordinances, or regulations of the public authority having jurisdiction; misuse of dedicated account funds; failure to pay vendors; failure to notify DHCD of fraud or the allegation of fraud, embezzlement, misappropriation or abuse of funds; disregard for competitive bidding; and conflict of interest as defined in the WAP agreement. Termination is undertaken in accordance with 10 CFR Part 440.15.

If a DHCD representative uncovers significant problem areas with the work or actions of a sub-grantee, the DHCD representative must document such problem areas and provide a report to the DHCD Program Manager, and the Associate Director of Housing. If the problems can be resolved immediately at the local level, the DHCD representative will transmit a copy of the report to the sub-grantee Weatherization Director and Executive Director. There will be no further action if the problems are corrected within the timeframe established by DHCD or if a corrective plan acceptable to DHCD is submitted and implemented.

When the problems are of such a nature that they cannot be resolved immediately at the local level or they are not resolved within the timeframe established by DHCD, the DHCD Program Administrator will prepare a memorandum with the following information:

A presentation of all relevant facts including any history relevant to the problem;

A summary of the issue;

A list of possible positions that DHCD may take on the issue;

The implications of the various above-mentioned positions;

A recommendation to the DHCD Program Administrator on actions to be taken; and

A conclusion supporting the recommendations.

Copies of all correspondence and relevant documentation will be provided with this memorandum and submitted to the DHCD Program Manager and the Associate Director of Housing. The DHCD Program Administrator will review the position paper with DHCD Program Manager and the Associate Director of Housing and recommend that the Deputy Director of the Housing Division issue a "Sub-grantee Warning Notice" to the sub-grantee Board Chairperson, Weatherization Director and Executive Director. The Sub-grantee Warning Notice will cite specific section(s) of the WAP contract where compliance is in question with a requirement that the sub-grantee provide a written plan within 15 calendar days for curing any alleged non-compliance.

If no response is received within 15 calendar days, the plan for resolving the alleged non-compliance is unacceptable to DHCD, or if subsequently the plan is not followed, a "Notice of Default and Intention to Terminate" the contract may be transmitted to the sub-grantee Board Chairperson, Weatherization Director, and Executive Director. Failure by the sub-grantee to respond to the Notice of Default and Intention to Terminate within 15 calendar days will result in the issuance of a "Notice of Termination" of the WAP contract.

After the Notice of Termination of the contract is issued, a public hearing will be scheduled with required notice to identify a new sub-grantee to provide service to the affected area in accordance with 10 CFR Part 440.14(a).

Sub-Grantee Appeals

When a sub-grantee disputes a decision or has exhausted efforts to resolve an outstanding issue with DHCD, the sub-grantee may appeal for an administrative review. The opportunity for such

administrative review is offered at the sole discretion of DHCD, and is not available as a matter of right, or as a substitute for the customary program decision-making process.

The purposes of the administrative review process are to: (a) assist the parties involved in a dispute to present their respective positions; (b) ensure that all disputed decisions are examined; and, (c) provide the basis for an administrative determination and resulting actions by DHCD.

To request an administrative review, a sub-grantee must submit a written request for an administrative review to: Associate Director of Housing, Virginia Department of Housing and Community Development, Main Street Centre, 600 East Main Street, Suite 300, Richmond, VA 23219. The application for an administrative review must include a:

brief statement of the matters asserted;

brief description of each subject dispute;

reference to any particular statutes, laws, or rules involved; and,

brief description of the remedy sought.

Upon receipt of the request, the Associate Director of Housing will request review by an Associate Director of the Community Development or Administration Divisions. The reviewer will conduct an impartial examination of the record and will issue a report on the findings of the record. This report will be non-binding; however, it will contain a recommended decision and will be forwarded to the Deputy Director of the Housing Division. Upon review of the report, the Deputy Director of Housing will issue a final decision within 30 days from the date the review administrator's report is received.

Funding Cycle

The DOE (Department of Energy) WAP has a 12 month funding cycle and operates according the fiscal cycle of the Commonwealth of Virginia (July 1 – June 30). The LIHEAP (Low-Income Home Energy Program) Weatherization Component has a 12 month funding cycle and operates according to the federal fiscal year (October 1 – September 30).

Sub-grantees who have submitted a successful application will receive their contracts by July 1, and October 1, respective of the funding source, for each year in the term of their contract.

Code of Conduct

Sections 2.2-3103 through Sections 2.23-3115 outline the code of conduct that must be upheld by the grantee (DHCD) and by incorporation into this document requires the subgrantees to adhere to these codes.

Chapter 3 – Weatherization

Weatherization is the installation of materials or measures that are intended to reduce dependence on foreign oil and decrease the cost of energy for low-income families while improving the health and safety of their homes. Measures are installed in accordance with the Virginia Weatherization Assistance Program Installation Standards (Chapter 4).

Weatherization work may consist of the following:

1. HVAC inspections, repair, and replacement
2. Air sealing
3. Duct repair, sealing, and insulation
4. Wall insulation
5. Attic insulation
6. Floor insulation
7. Mobile home belly board repair and insulation
8. Mobile home roof cavity insulation
9. Water heater tank and pipe insulation
10. Compact fluorescent light bulbs
11. Water flow reducers
12. Refrigerator replacements for efficiency

Energy Audit

An energy audit is an assessment of a house or building that typically consists of a visual inspection, practical considerations, data collection and may require the use of approved audit software to perform a calculation to determine an appropriate savings-to-investment-ratio (SIR).

Measures will either be chosen by the Priority List, where applicable, or a computerized audit based on the dwelling configuration.

For more guidance on the Priority List and computerized audits, please see Chapter 4.

Fuel Switching

DOE does not permit the general practice of fuel switching. However, DOE will review fuel switching requests on a case-by-case basis. Such requests must be sent to DHCD for initial review. The request will then be forwarded to DOE for a final decision.

Unit Funding and Count

Sub-grantees may weatherize homes with either DOE funds or LIHEAP funds. Sub-grantees may combine both DOE and LIHEAP funds to weatherize a home that would otherwise be too expensive to weatherize from one source of funding. When funds are combined, the unit must be counted for each funding source.

Average Costs

Except as adjusted by DOE and /or DHCD, the expenditure of funds for labor, weatherization materials, and related matters shall not exceed an average of \$6,500.00.

DOE stipulates that the program must maintain an average cost (not a maximum or minimum) per unit. It is understood that some units will cost more than others to weatherize. However, the average cost per unit cannot exceed the current active guideline. Each agency is expected to maintain this average cost on a month to month basis.

In accordance with 10CFR Part 440.18(b) and (c), the expenditure of financial assistance provided under WAP for labor, weatherization materials, and related matters for a renewable energy system, shall not exceed an average of \$3,000 per dwelling unit, as adjusted.

Job Completion Policy

In order to eliminate unnecessary delays in completing work and reporting completed units, DHCD is enforcing the following guidelines. Once an agency has audited a client's home, the agency has 180 days to complete a job. This includes:

- Installation of weatherization measures
- Inspection of the work and identification of any failures
- Correction of failures
- Re-inspection of the job
- Reporting the completed job in the database and a submitted invoice

If a job is not completed within 180 days of the audit, a repeat audit must be performed unless there are extenuating circumstances where DHCD has issued written approval to use the initial audit.

The timeframes will be reviewed by the technical field monitors. The Weatherization database will indicate the date of the audit and the completion date. Failure to complete jobs in accordance with policy can result in corrective actions.

If an agency cannot meet the above timeline for a specific job they must notify DHCD in writing. DHCD will review each written notification on a case by case basis.

Weatherization Practices and Resources

The Virginia Weatherization **Standards** and **Field Guide** are the primary reference tools for how to weatherize homes. All subgrantee work crews and subcontractors are required to know and adhere to the work practices and guidelines set forth in these documents.

Materials

All materials used for weatherization services are required to at least meet the materials standards as specified by **10 CFR 440 (Appendix A)**. Whenever possible, recycled materials must be used in conformance with **40 CFR 247-254, 10 CFR 600.116**, and the **Resource Conservation and Recovery Act (RCRA), section 6002**.

Ineligible Activities

Only those activities specifically intended to provide energy efficiency improvements may be completed with program funds. Rehabilitation, lead abatement and/or interim controls, and mold remediation are specifically prohibited. WAP funds may not be expended to complete this type of work.

Miscellaneous Policies and Rules

Disaster Relief

Use of DOE WAP Funds to address disaster related hazards

Allowable expenditures under WAP include:

- 1) the cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective and,
- 2) the cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials (10 CFR 440.18(d)(9); 10 CFR 440.18(d)(15)). To the extent that the services are in support of eligible weatherization (or permissible re weatherization) work, such expenditure would be allowable.

For example, debris removal at a dwelling unit so that the unit can be weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost. Please note that the \$6,500 per dwelling unit limit continues to apply.

In addition, the regulations require that a Grantee's Weatherization Plan identify and describe the average amount of DOE funds to be used for incidental repairs (10 CFR 440.14(c)(6)(viii)). The grantee must also develop, publish, and implement procedures to ensure that Subgrantees limit expenditure of funds for installation of materials (other than weatherization materials) to abate energy-related health and safety hazards to a list of types of such hazards, permissible abatement measures and their costs necessary (10 CFR 440.16(h)). As such, Grantees should ensure that the limits on the use of WAP funds to address disaster related hazards are included in the approved Grantee Plan.

Weatherization personnel can be paid from DOE funds to perform functions related to protecting the DOE investment. Such activities include: securing weatherization materials, tools, equipment, weatherization vehicles, or protection of local agency weatherization files, records and the like during the initial phase of the disaster response. Using DOE funds to pay for weatherization personnel to perform relief work in the community as a result of a disaster is not allowable.

Chapter 3 – Weatherization

Local agencies may use weatherization vehicles and/or equipment to help assist in disaster relief provided the WAP is reimbursed according to the DOE Financial Assistance Regulations 10 CFR Part 600.

Reprioritization of weatherization requests coming from the disaster area

WAP rules require that priority be given to identifying and providing weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users, and households with high energy burdens (10 CFR 440.16(b)). However, it would be permissible to consider in households located in the disaster area, as a priority as long as the households are eligible and meet one of the priorities established in regulation and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.

“No Fault” Weatherization Re-work

As of December 15, 2010, guidelines regarding the disallowance of call-back/add-on work after a unit were established as follows: WPN 11-03 states:

- Once a home is reported to DOE as complete, the required final inspection indicates that all applicable work performed was done so in a workmanlike manner, including all work that may have been contracted out such as furnace work, etc. Performing activities such as routine maintenance, repairs, or warranty-type work is not permitted using DOE funds for work beyond those costs already invoiced. Grantees and sub-grantees may use other funds that are not included as a part of their DOE WAP budget plans to pay for the costs associated with these activities.
- The only method to address “call-backs” where DOE funds must be used to pay for the additional work is to have these previously completed units taken out of the DOE reporting system and subtract the associated costs from the DOE funds category.

PLEASE NOTE: The Virginia Weatherization Assistance Program (WAP) does not allow for ANY call-back, add-on or rework under ANY circumstances with ANY funding source with the following EXCEPTION:

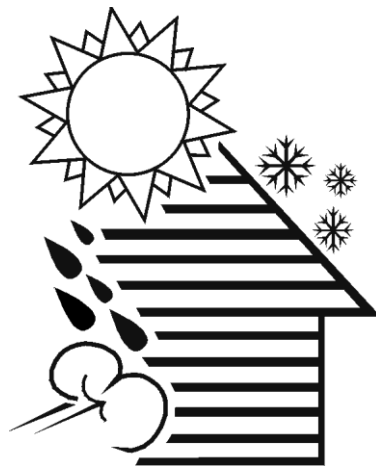
- Sub-grantees may utilize LIHEAP funds for no fault re-work on a case by case basis after receiving DHCD’s prior written approval. This re-work is limited to labor costs associated with warranty work where the failure of the installed measure is no fault of the agency. For example, if a water heater is installed and fails after four months, an agency may use LIHEAP funds to pay labor costs associated with replacement of the warranted unit.
- Permission requests for such re-work may be submitted to DHCD. The request should be submitted prior to undertaking the work and should indicate the property address, a description of the re-work and justification for the work to be done and the anticipated labor costs.

CHAPTER 4



**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities

VIRGINIA WEATHERIZATION ASSISTANCE PROGRAM INSTALLATION STANDARDS



*Weatherization
Works*

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Chapter 1

INSTALLATION STANDARDS OVERVIEW

General Overview

Measures not specifically cited in these installation standards or any deviation from these standards must first be approved in writing by a DHCD technical monitor.

While these standards follow the order of approved priority lists, the technical guidance **must also be utilized for NEAT/MHEA audits (with the exception of cost limits)**.

Section 101- Priority List General Overview

- 101.1** Where applicable, measures must be installed in the order listed when using the priority list.
- 101.2** The following building types may utilize the priority list:
- 1 Story
 - 1.5 Story
 - 2 Story
- 101.3** The above building types may have any combination of the following foundation and heating types:

FOUNDATION TYPES

- Slab
- Crawl
- Unfinished Basement
- Finished Basement

HEATING TYPES

- Heat Pump
- Oil
- Gas
- Electric Baseboard

Section 103- Deterral Standards

- 103.1** The client has known health conditions that prohibit the installation of insulation and other weatherization materials.
- 103.2** The building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost-effectively.
- 103.3** The house has sewage or other sanitary problems that would further endanger the client and weatherization installers if weatherization work were performed.

- 103.4** The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities.
- 103.5** Moisture problems are so severe they cannot be resolved under existing health and safety measures and with minor repairs.
- 103.6** The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.
- 103.7** The extent and condition of lead-based paint in the house would potentially create further health and safety hazards.
- 103.8** In the judgment of the energy auditor, any condition exists which may endanger the health and/or safety of the work crew or subcontractor, the work should not proceed until the condition is corrected.

Section 104- Blower Door Standards

- 104.1** Follow the procedures and closure targets in the **Virginia Weatherization Field Guide** for using the blower door to address air leakage. A pre-weatherization and a post weatherization blower door test must be performed on each house. The test readings must be documented on the job report.
Exception: If the house is presumed to have asbestos containing material that is friable (easily crumbled), the blower door test should not be performed.
- 104.2** Prior approval from DHCD will be necessary for a job to be accepted without a blower door pre-test and post-test for any reason.
- 104.3** Air leakage must be diagnosed by using the blower door, or if the exception applies, then a visual diagnosis must be used. Once the pre-test has been taken, then the closure target must be determined.

Section 105- Photos of Job Sites

DOE now requires before and after pictures of each measure installed which includes Health & Safety as well as Incidental Repairs. These pictures **must** be maintained in the client file.

Chapter 2

SINGLE FAMILY PRIORITY LIST

Single Family Priority List Detail

THE FOLLOWING APPLICABLE MEASURES MUST BE INSTALLED IN ORDER.

1. Duct Sealing and Insulating
2. Air Sealing
3. Attic Insulation
4. Wall Insulation
5. Lighting
6. Water Heater Tank And Pipe Insulation
7. Floor Insulation
8. Furnace and Boiler Tune-Up
9. Refrigerator Replacement

Section 201- Duct Sealing and Insulation

- 201.1** Total cost is limited by the average initial pressure pan test results and by heating type.

NOTE: If using NEAT or HEAT, disregard this chart and use prices utilized by the energy audit tool.

Maximum Cost to Seal Ducts to Cumulative Pressure Pan Reading of 3 Pa				
Average Pressure Pan Reading (Pa)	Oil	Electric Furnace or Resistance	Natural Gas	Electric Heat Pump
<.5	189	168	101	68
.5 to .9	302	342	200	139
1 to 1.9	469	621	346	251
2 to 2.9	658	800	506	387
3 to 3.9	800	800	654	527
4 to 4.9	800	800	800	691
5 to 5.9	800	800	800	764
6 to 6.9	800	800	800	800
7 to 7.9	800	800	800	800
8 to 8.9	800	800	800	800
9 to 9.9	800	800	800	800
>10	800	800	800	800

- 201.2** Seal plenum, duct and register leaks with mastic. The target pressure reading is 1pascal (Pa) or less.
- 201.3** Only ducts located in unconditioned areas will be insulated. Return and supply ducts must both be insulated.
- 201.4** If a basement has a zonal pressure no higher than 10 Pa with reference to the house, then the basement may be considered "inside" and duct insulation is not required.

- 201.5** Ducts will be insulated to a minimum R-8.
- 201.6** Insulation joints will be tightly butted or overlapped so as to completely surround ducts and pipes. Insulation joints will be taped completely with aluminum tape or some other appropriate permanent fastener.
- 201.7** Where insulation is applied on rectangular ducts, insulation installed on corners will not be compressed more than 50% of its normal thickness.

Section 202- Air Sealing

- 202.1** Seal plumbing, electrical, and HVAC penetrations through ceiling, flooring, and exterior walls. Use proper materials for high-temperature surfaces.
- 202.2** Total cost is based on cfm-50 reduction achieved and is limited by heating type.

NOTE: If using NEAT or HEAT, disregard this chart and use prices utilized by the energy audit tool.

Primary Heating Type	Maximum Cost Per 100 CFM-50 Reduction
Oil	\$85
Natural Gas, Electric Furnace or Resistance	\$70
Electric Heat Pump	\$50

Note: Look for indoor air quality problems (e.g., signs of condensation on the inside of the dwelling) which must be addressed prior to performing air sealing measures. These problems should be diagnosed and addressed at the source.

- 202.3** Use the blower door to diagnose air leakage.
- 202.4** Prevent heat loss which results from air movement between conditioned and unconditioned spaces.
- 202.5** In addition to the following requirements, ventilated attics must have a post-test zonal pressure of at least 45 Pa with reference to the house. (*Note: If an attic is unventilated, and neither insulation nor ventilation will be added, do not ventilate for the sole purpose of obtaining a zonal pressure.*) A visual inspection must be performed in addition to attaining the zonal pressure required above.
 - a. Seal bypasses in stud cavities and joist cavities.
 - b. Seal partition walls at top and bottom to stop air movement.
 - c. Seal chimney, plumbing, and electrical chases at top and bottom.
 - d. Seal openings at the sill plate/band joist to stop air movement.
 - e. Replace missing or broken glass, missing windows and missing doors.
 - f. Seal holes in ceilings, walls and floors which communicate directly with unconditioned spaces. Drywall repair must be finished with a minimum of two coats of compound, sanding between coats. When floor repair is performed and floor covering has to be removed, floor covering, excluding carpet, may be replaced.
 - g. Seal non-operational flue openings and fireplaces.

- h. Construct a removable door for fireplaces without an operable damper and are used occasionally.
- i. Permanently installed window air conditioners must be permanently air sealed from the exterior and a cover must be installed or left with the client. Tape is not allowed.

202.5 An ASHRAE 62.2 calculation must be performed on every house to evaluate ventilation needs. Refer to the Virginia Weatherization Field Guide for guidance.

Section 203- Attic Insulation

203.1 Cost is limited to \$0.65/sqft for R-38 and \$0.72/sqft for R-49.

NOTE: If using NEAT or HEAT, disregard this chart and use prices utilized by the energy audit tool.

Primary Heating Type	Bring Attic Insulation Up To
Electric Heat Pump	R-38
Natural Gas	R-38
Oil, Electric Furnace, Electric Resistance	R-49

203.2 An insulation certificate including date, signature, R-value, and number of bags/rolls installed must be visible from the attic access.

203.3 A three (3) inch minimum clearance from insulation or other combustible materials must be maintained with permanent non-combustible blocking material around all chimneys and flues. A three (3) inch minimum clearance from cellulose and paper backed fiberglass insulation must be maintained with permanent non-combustible blocking material around recessed light fixtures, transformers, furnaces, and any other heat producing device. Insulation may not cover these devices unless rated for insulation coverage. Chimney chases must be sealed with non-combustible material and high temperature caulk.

203.4 Permanent blocking will be installed around attic scuttles so as to restrain insulation from falling through these openings. The attic side of trap doors, scuttles, and pull down staircases must be insulated to the same R-value installed in the attic. Weather-strip the trap door or attic scuttle.

203.5 Markers indicating the thickness of blown insulation must be installed at least one for every 300 sqft throughout the attic space and must be visible above insulation.

203.6 Weather strip knee wall access doors and insulate to minimum R-13. Knee walls must be air sealed and insulated to minimum R-13. Joist cavities at the knee-wall must be air sealed and insulated. Rafter Slopes must also be insulated.

203.7 Circulation of air through soffit vents must be ensured through the use of blocking materials (baffles).

- 203.8** If wiring in the attic area appears unsafe due to cracked, blistered, or deteriorated wiring insulation, or if circuits otherwise indicate overloading, the attic shall not be insulated out of consideration for fire hazards until these situations are corrected. Such exceptions must be documented in the client file. See Health and Safety section of this chapter for allowable remedies. Insure all electrical junction boxes are covered and flagged prior to insulation.

Section 204- Wall Insulation

- 204.1** Cost is limited to \$1.50/square foot.
- 204.2** Dense pack uninsulated walls to manufacturers specifications.
Fill sidewalls to capacity using the dense-pack method to a minimum density of 3.5 lbs/cuft for cellulose and 2.2 lbs/cuft for fiberglass.
- 204.3** Blown fiberglass must be used in a stud cavity adjacent to a chimney.
- 204.4** All walls between conditioned and unconditioned areas must be insulated.
- 204.5** Sidewall insulation must be installed by either removing exterior siding or by drilling holes from the interior of the house.
- 204.6** Where incomplete sidewall insulation exists (some cavities are insulated but some are not), insulation will be added to provide complete sidewall coverage.
- 204.7** The following exceptions will be allowed, but must be documented, and the burden of proof will lie with the local WAP provider:
- Existing sidewall insulation.
 - No wall cavity.
 - Knob and tube wiring present in wall cavity and testing indicates unsafe wiring exists and there are insufficient funds available for replacement. See Health and Safety section for allowable remedies.
 - Wall(s) too weak to withstand pressure of sidewall insulation.
 - Existing moisture problems which cannot be remedied.

Section 205- Lighting

- 205.1** Cost is limited to \$8/bulb and total CFL expenditure may not exceed \$200 per house (Where using Priority List).
- 205.2** Replace incandescent lights that are used for more than 2 hours per day with CFL lights.
- 205.3** Clients must be educated on how CFL bulbs operate differently from incandescent bulbs and informed of appropriate disposal methods.

Section 205- Water Heater and Pipe Insulation

- 206.1** Water heaters will be insulated with materials approved in appendix A of the 10 CFR Part 440 with an R-value of five (5) or better.
- 206.2** ELECTRIC WATER HEATERS: Insulation will be applied to the top and sides. The overlapped ends of the protective backing should be sealed and banded in order to provide an adequate seal.
- 206.3** Pressure relief valve shall not be covered. Access panels to thermostat shall be clearly marked.
- 206.4** GAS WATER HEATERS: Insulation will be applied to only the sides of the water heater. The overlapped ends of the protective backing should be sealed and banded in order to provide an adequate seal.
- 206.5** Insulation must not cover any of the following: pilot light, cut-off valve, access panel to thermostat or heating elements, operating instructions, pressure relief valve, drain, any electrical service wiring, hi-limit switch.
- 206.6** Insulation will be installed at least three (3) inches off the floor and one (1) inch away from the pressure relief valve.
- 206.7** In addition to insulating domestic water heaters, the following measures must be performed:
 - a. Thermostats will be lowered to a temperature the client is comfortable with (120 deg.F is recommended).
 - b. The first six (6) feet of the hot water line leading out of the domestic water heater will be insulated and (6) feet of the cold water line to the hot water heater will be insulated in the same manner and under the same standards as hydronic heating pipes. Water pipes located in unconditioned areas must be insulated in the same manner and under the same standards as hydronic heating pipes.
 - c. The discharge pipe must be properly installed to a minimum of 6" from the floor.
- 206.8** Cabinet type water heaters and water heaters labeled with instructions "Do Not Wrap" should not be insulated.
- 206.9** Hydronic heating pipes will be insulated with either rigidly closed cell vinyl foam or mineral fiber insulation manufactured for the purpose of insulating pipes. When using mineral fiber insulation, a vapor impermeable wrapping must be applied on the outside of the insulation.

Section 206- Floor Insulation

- 207.1.** Must be installed where separating floors from unconditioned areas.
- 207.2.** Must be a minimum R-19.
- 207.3.** Must be installed to maintain permanent contact with the underside of the subfloor decking.
- 207.4.** Vapor retarder on batt insulation is not required; however, it must be installed against the underside of the subfloor when used.
- 207.5.** Cost is limited to \$1.25 per sqft (Where using Priority List).

Section 207- Furnace and Boiler Tune-Up

- 208.1** Perform tune-up on oil boilers and furnaces with tested Steady-State-Efficiency of less than 68%.
- 208.2** Cost is limited to \$300 (Where using Priority List).
- 208.3** When there is an existing forced air distribution system, filter(s) must be installed (if missing) or replaced, and a (6) month supply of appropriately sized filters for each filter location must be provided to the client. Client must be taught how to change the filter. If a permanent filter is present, the client must be taught how to remove, clean and replace it. Return grills may be replaced with filter grills for better client accessibility.
- 208.4** Clean out supply blower, coils, inside air handler cabinet and reachable areas of ducts.
- 208.5** Check for appropriately sized ducts, especially returns and return grilles.
- 208.6** Conduct heat rise test on all forced air systems.

Section 209- Refrigerator Replacement

209.1

NOTE: If using NEAT or HEAT, disregard this chart and use prices utilized by the energy audit tool.

Savings (kWh)	Maximum Replacement Cost (\$)
1,100	\$1,450
1,000	\$1,320
900	\$1,185
800	\$1,055
700	\$920
600	\$790
500	\$660
400	\$525

209.2

A refrigerator must be replaced for efficiency improvement if the cost-effectiveness can be documented based on the provided table. The Refrigerator Replacement guidance provided on WAPTAC.org under the “*Tools*” section must be followed. Disposal of the existing unit is required. Stand alone freezers or through the door water and/or ice units are not allowed.

Chapter 3

MOBILE HOME PRIORITY LIST

Mobile Home Priority List Detail

THE FOLLOWING APPLICABLE MEASURES MUST BE INSTALLED IN ORDER FOR THE JOB TO BE ACCEPTED FOR REIMBURSEMENT.

1. DUCT SEALING
2. AIR SEALING
3. BELLY INSULATION
4. ROOF INSULATION
5. LIGHTING
6. WATER HEATER TANK AND PIPE INSULATION
7. FURNACE AND BOILER TUNE-UP
8. REFRIGERATOR REPLACEMENT

Section 301- Duct Sealing

301.1 Total cost is limited by the average initial pressure pan test results and by heating type.

NOTE: If using NEAT or HEAT, disregard this chart and use prices utilized by the energy audit tool.

Maximum Cost to Seal Ducts to Cumulative Pressure Pan Reading of 3 pa					
Average Pressure Pan Reading (Pa)	Liquid Propane	Electric Furnace or Resistance	Oil	Natural Gas	Electric Heat Pump
<.5	37	22	20	14	13
.5 to .9	128	75	70	59	40
1 to 1.9	288	172	160	128	88
2 to 2.9	400	238	225	182	123
3 to 3.9	490	291	281	223	154
4 to 4.9	570	335	326	255	176
5 to 5.9	640	370	361	287	194
6 to 6.9	703	405	400	315	212
7 to 7.9	763	435	430	342	229
8 to 8.9	800	463	460	369	242
9 to 9.9	800	488	490	392	260
>10	800	540	545	433	291

301.2 Use the blower door to diagnose air leakage.
Note: Look for indoor air quality problems (e.g., signs of condensation on the inside of the dwelling), which should be addressed prior to performing air sealing measures. These problems should be addressed at the source.

- 301.3** Seal the following duct areas: plenum connection to furnace; boot connections to trunk and floor; crossover duct connections; jump/branch duct connections; end caps and all other connecting points.

Section 302- Air Sealing

- 302.1** Total cost is based on cfm-50 reduction achieved and is limited by heating type.

NOTE: If using NEAT or HEAT, disregard this chart and use prices utilized by the energy audit tool.

Primary Heating Type	Maximum Cost Per 100 CFM-50 Reduction
Liquid Propane	\$73
Electric Furnace or Resistance	\$62
Oil	\$54
Natural Gas	\$42
Electric Heat Pump	\$34

Note: Look for indoor air quality problems (e.g., signs of condensation on the inside of the dwelling) which must be addressed prior to performing air sealing measures. These problems should be diagnosed and addressed at the source.

- 302.2** Use the blower door to diagnose air leakage.
- 302.3** Prevent heat loss which results from air movement between the conditioned and unconditioned spaces of the mobile home using the following techniques:
- Replace missing or broken glass, missing windows, missing doors.
 - Seal holes in ceilings, walls, and floors which communicate directly with unconditioned spaces.
 - Permanently installed window air conditioners must be permanently air sealed and a cover must be installed or left with the client. Tape is not allowed.
 - Seal or damper dryer vents, kitchen exhaust fans, utility penetrations, etc.
 - Marriage walls between sections and add-ons must be sealed.

Section 303- Belly Insulation

- 303.1** Prevent conductive heat loss by insulating the cavity between the floor and belly board.
- 303.2** Blown fiberglass is required due to the frequency of water leaks in mobile homes and the damage that can result if cellulose is used.
- 303.3** Missing or deteriorated belly board must be replaced or repaired.
- 303.4** All accessible areas must be insulated. Only specific areas with less than eighteen (18) inches clearance will be accepted as "inaccessible".

Section 304- Ceiling/Roof Cavity Insulation

Ceiling insulation must be installed using the practices presented during the training by NRCERT. Also, refer to the Virginia Weatherization Field Guide.

Section 305- Lighting

- 305.1** Cost is limited to \$8/bulb and total CFL expenditure may not exceed \$200 per house. (Where using Priority List).
- 305.2** Replace incandescent lights that are used for more than 2 hours per day with CFL lights.
- 305.3** Clients must be educated on how CFL bulbs operate differently from incandescent bulbs and must be informed of appropriate disposal methods.

Section 306- Insulate Water Heater

- 306.1** Water heaters will be insulated with mineral fiber insulation with a protective backing attached with an R-value of five (5) or better. Insulation will be applied with the protective backing toward the outside.
- 306.2** ELECTRIC WATER HEATERS: Insulation will be applied to the top and sides of the water heater. The Overlapped ends of the protective backing should be sealed, and banded in order to provide an adequate seal.
Pressure relief valve shall not be covered.
Access panels must be clearly marked.
- 306.3** GAS WATER HEATERS: Insulation will be applied to only the sides. The overlapped ends of the protective backing should be sealed, or banded in order to provide an adequate seal.
Insulation must not cover any of the following: pilot light, cut-off valve, access panel to thermostat or heating elements, operating instructions, pressure relief valve, drain, any electrical service wiring, hi-limit switch.
- 306.4** Insulation will be installed at least three (3) inches off the floor and one (1) inch away from the pressure relief valve.
- 306.5** Water pipes located below the belly board may be insulated in the same manner and under the same standards as hydronic heating pipes.

- 306.6** In addition to insulating water heaters, the following measures must be performed:
- a. Thermostats will be lowered to a temperature that the client is comfortable with (120 deg. F is recommended).
 - b. The first six (6) feet of the hot water line leading out of the domestic water heater and (6) feet of the cold water line coming into the hot water heater will be insulated in the same manner and under the same standards as hydronic heating pipes.
 - c. The discharge pipe must be properly installed outside of the skirting.
- 306.7** Cabinet type water heaters and water heaters labeled with the instructions “Do Not Wrap” should not be insulated.

Section 307- Furnace and Boiler Tune-Up

- 307.1** Perform tune-up on oil boilers and furnaces with tested Steady-State Efficiency of less than 68%.
- 307.2** Cost is limited to \$300 (Where using Priority List).
- 307.3** When there is an existing forced air distribution system, filter(s) must be installed (if missing) or replaced, and a (6) six month supply of appropriately sized filters for each filter location must be provided to the client. Client must be taught how to change the filter. If a permanent filter is present, the client must be taught to remove, clean and replace the filter. Return grills may be replaced with filter grills for better client accessibility.
- 307.4** Clean out supply blower, coils, inside air handler cabinet and reachable areas of ducts.
- 307.5** Check for appropriately sized ducts, especially returns and return grilles.
- 307.6** Conduct heat rise test on all forced air systems.

Section 308- Refrigerator Replacement

308.1 **NOTE:** If using NEAT or HEAT, disregard this chart and use prices utilized by the energy audit tool.

Savings (kWh)	Maximum Replacement Cost (\$)
1100	\$1,450
1000	\$1,320
900	\$1,185
800	\$1,055
700	\$920
600	\$790
500	\$660
400	\$525

308.2 A refrigerator must be replaced for efficiency improvement if the cost-effectiveness can be documented based on the provided table. The Refrigerator Replacement guidance provided on WAPTAC.org under the “Tools” section must be followed. Disposal of the existing unit is required. Stand alone freezers or through the door water and/or ice units are not allowed.

Chapter 4

MULTI-FAMILY

Installation Standards: Multi-family Dwellings

Shelters offering temporary residency may be weatherized but require special reporting. Written DHCD approval is required prior to working on a shelter.

Section 401: Audit Requirements

401.1 Because Multi-Family buildings vary greatly in size and configuration, DOE has defined two categories in terms of audit requirements.

1. NEAT Audit required when the following three characteristics are all present:
 - Buildings with 25 units or less
 - 3 stories or less
 - units are individually heated
2. TREAT Audit required when any of the following characteristics are present:
 - Buildings with 26 units or more
 - 4 stories or more
 - units are centrally heated

401.2 Until further notice, an NRCERT audit team must train subgrantee during performance of the audit for the first two multi-family projects. After two projects have been audited, DHCD will determine whether subgrantees may conduct audits.

401.3 Test building as a whole using multiple blower doors and depressurizing all units at the same time.

When not feasible, individual units must be tested in the sampling protocol described below. **CONTACT DHCD FOR APPROVAL OF THIS METHOD.**

- 401.3.1** Sample at least 10% of total units, but not fewer than five units. Sample must include:
- each floor plan (1 bedroom, 2 bedroom, etc.)
 - each building configuration (number of floors, number of units in each building, etc.)
 - buildings built at different times
 - each foundation type
 - any irregular characteristic

401.3.2 If CFM50 infiltration varies more than 20% among units with similar floor plans tested, increase the sample size to a minimum of 15% of total units.

401.3.3 During blower door testing, zonal pressures must be measured in the following areas:

- attic
- crawl space/basement
- floor cavities
- duct chases
- walls between units, etc.

401.4 Pressure pan testing on registers must be performed.

401.5 Audit testing requirements for HVAC systems:

- All combustion appliances must be visually inspected
- Draft and CO on 40% of all combustion appliances
- Worst-case CAZ tests on 40% of all units
- Room pressures on 10% of units
- Refrigerant charge on 10% of all AC units
- Duct-blast testing on 10% of units
- Exhaust fan flows on 10% of units

Section 402: Installation of Measures

The NEAT or TREAT audits will define the **measures** to be installed. Follow the provisions in the Single-Family *Installation Standards* and the Virginia Weatherization Field Guide for **installation of measures**.

The focus for air sealing and insulation for multi-family weatherization work must be on establishing pressure and thermal boundaries of the **building**.

Section 403: HVAC Replacement

403.1 When the audit calls for HVAC replacement, for the Scope of Work calculate the number of units to replace in the following manner:

Account for percentage of units that failed from the test sample. Use that percentage rate with a 10% plus/minus variance.

Example: 120 total units in project
40% units tested = 48
24 units failed = 50% failure rate

Therefore, Scope of Work will call for replacement of 60 (50%) units, +/- 10%.

- 403.2** Additional replacements may be required upon further testing by the HVAC contractor (with approval from the subgrantee).

Section 404: Post-Test Requirements

Sample must include each floor plan, each building type, and each foundation type.

1. Blower Door Tests on 20% of units, including attic/crawl zonal pressures
2. Draft and CO on 100% of all combustion appliances
3. Worst-case CAZ tests on 100% of all units
4. Exhaust fan flows on 10% of units

Chapter 5

Health and Safety

Section 501- Air Conditioning Systems

Air conditioning system replacement or repair is allowable in homes of at-risk occupants when inoperable/nonexistent.

At-risk occupants are defined as:

- elderly (60 years or older)
- children (under the age of 6)
- occupants with health conditions that warrant the need for conditioned air

Section 502- Asbestos

502.1 Siding—removal of siding is allowed where required to insulate sidewalls. All precautions must be taken not to damage siding. Asbestos siding should never be cut or drilled. Recommended, where possible, to insulate through home interior.

502.2 Pipe insulation—encapsulation is allowed if performed by an Asbestos Hazard Emergency Response Act (AHERA) professional and should be conducted prior to blower door testing.

502.3 Where asbestos (friable) is identified or assumed, the use of a blower door is prohibited.

Note: Subgrantees/Contractors must have training/license required by the Virginia Department of Professional and Occupational Regulation to test and work with any asbestos containing material.

Section 503- Drainage

The following are allowable drainage measures:

- gutters and downspouts
- flashing
- diverters
- sump pumps

Section 504- Dryer Venting

Dryer venting is an allowable expense. Dryers should be vented to the outdoors and duct no longer than 35ft. This length is reduced by 2.5ft for every 45 deg bend and 5ft for every 90 deg bend.

Note: Check that dryer vents are vented outside, non-combustible, clean and have no loops in vent hose. Dryer vents must not be connected with sheet-metal screws or fastening means which extend into the duct.

Section 505- Electrical

- 505.1** Replacement of knob and tube wiring is allowable where installing insulation.
- 505.2** Upgrades and repairs are allowed when necessary to install HVAC equipment weatherization measures.

Section 506- Gas Cook Ranges

- 506.1** Gas range replacement is **not** an allowable Health and Safety expense. However, cleaning and repair are allowable if high levels of CO are present. Costs shall not exceed \$300.
- 506.2** All gas ranges must have an exhaust fan vented to the outdoors.

Section 507- Heating Systems

- 507.1** Repair of heating systems is permitted under the following conditions:
- unsafe levels of carbon monoxide (CO)
 - improper draft
 - improper venting
 - unsafe chimney
- 507.2** Replacement of heating systems is permitted under the following conditions:
- inoperable/nonexistent
 - unsafe levels of carbon monoxide (CO) that cannot be remedied by repair
- 507.3** Heating Systems must be replaced for efficiency if the SIR is one or greater before being replaced as a H&S measure.
- 507.4** Solid Fuel Heating—maintenance, repair and replacement of primary indoor heating unit is allowed where occupant health and safety is a concern. Only maintenance and repair is allowed if used as a secondary heating system.
- 507.5** Inspect Heating System For Safety Problems
- 507.5.1** A safety inspection involves both a visual inspection and test procedures designed to verify that any operational heating unit is burning fuel and exhausting flue gases in a safe manner. Inspections must be performed by a licensed insured HVAC professional. Refer to the Virginia Heating Systems Training Manual for inspection procedures. Refer also to DOE Program Guidance on space heaters, WPN 08-4, dated March 3, 2008.

All operational combustion appliances shall be included in the safety inspection. These include oil and gas furnaces, wood and coal stoves, boilers, oil and gas space heaters, wood and gas cook stoves, gas dryers and gas and oil water heaters. **EXCEPTION:** Wood and lump coal units where no fuel is available, or during the hot season, need only be visually checked for the following when applicable: heat exchanger leakage and corrosion, unsafe or improper wiring, venting, and clearances from combustibles.

When problems need to be corrected before proceeding with other work, the standards will explicitly state that requirement. Where remedial work is not required, only written documentation must be provided.

507.5.2 Heating System Safety Test Steps

1. Inspect the fuel supply
 - a. **PROPANE, NATURAL GAS:** If gas leakage is detected, verify with bubble test, inform the occupant and leave the dwelling. Shut off the supply valve and have the occupant notify the fuel supplier. The problem must be corrected before the heating system inspection is continued and before any other weatherization is performed.
 - b. **FUEL OIL:** Any fuel leak should be corrected prior to performing weatherization work. In some fuel oil systems, oil can build up in the combustion chamber due to constant pushing of the reset button. The combustion chamber must be checked prior to firing the heating unit to determine whether a build-up of fuel has occurred.
 - c. **OIL TANK:** Tanks must be leak-free and installed as required by NFPA 31. Leaky tanks must be replaced, but no underground tanks may be installed.
2. Inspect the power supply
 - a. The inspector must determine whether the condition of the electrical power supply is adequate for the existing or new heating system. Determine that wiring is safe and properly fused. Check to see that wiring is not in contact with hot surfaces of the heating unit.
3. Inspect Combustion Air Supply
 - a. Adequate air shall be available to the heating system for combustion.
4. Conduct CAZ and Worst Case Draft Test
 - a. Draft must be measured under Worst Case Combustion Appliance Zone (CAZ) conditions and determined to be acceptable in order to perform weatherization measures. Refer to the Virginia Weatherization Field Guide for procedures including probe placement and acceptable readings or per manufacturer's specifications. A draft reading of .01 WC (or PMI) is acceptable for a mobile home. This

does not preclude the need to conduct a thorough examination of the venting system.

- b. When indoor air is used for combustion, depressurization in this zone shall be no greater than negative five (-5) Pascals. When appliance is direct vent or sealed combustion, depressurization in this zone shall be no greater than negative ten (-10) Pascals.
- c. The CAZ and Worst Case Draft Test must be repeated after weatherization work is completed. If the reading does not fall within the acceptable range, the problem must be corrected prior to submitting the job for completion.

5. Carbon Monoxide Testing

- a. Test for the presence of carbon monoxide in the living area. There must be no more than 9-ppm carbon monoxide in the living area. The presence of CO in the living area is a life threatening emergency situation. If possible, determine the source of the CO. The client must be informed of the risk and advised not to use the appliance until the problem is corrected. This problem must be corrected before any weatherization can be performed.
- b. The test for the presence of carbon monoxide in the flue gases and in the living area must be repeated after weatherization work is completed. If acceptable levels are exceeded, the problem must be corrected before submitting the job for completion.
- c. Carbon monoxide detectors must be installed in all dwellings with combustion appliances and must be UL rated. CO detectors may be "plug-in," hardwired, or battery operated. If plug-in or hardwired, the detectors must have a battery back-up. If battery operated, at minimum a 5-year battery must be installed with detector replacement date on device. Location within the dwelling should be according to manufacturer's recommendation.

6. Inspect the Heat Exchanger

- a. Heat exchanger must be inspected for cracks or holes. The inspector must judge whether the condition of the heat exchanger is hazardous and prohibits further weatherization work on a house. The condition of the heat exchanger must be documented.

Note: In the case of wood and coal stoves, the stove itself is a heat exchanger. Check for cracks and holes that may allow sparks, combustion gases, or smoke to enter the living area.

7. Inspect Vent System

- a. Inspect the entire vent system, including the chimney, to determine whether any sections of the vent are disconnected, loose, leaky, extremely corroded, or missing. The inspector must judge whether the vent system is hazardous enough to

- prohibit further weatherization work on a house. The condition of the vent system must be documented.
- b. Vent connectors should be properly connected. Single-wall pipe must not pass through combustible materials and should not be used outside or in unconditioned areas. Vent connectors exhausted into a lined or an unlined chimney should be checked for proper draft, obstructions, proper maintenance, and the exhausting of flue gases into the living area. Vent connectors must have at least 1/4" rise for every foot of horizontal run, must meet code requirements, and should have the least number of turns needed to reach the main vent.
 - c. When two appliances on the same floor share a common vent, the appliance with the lower BTU input must be vented above the higher BTU appliance. The size of the common main vent must be large enough to carry the BTU input of both appliances.
 - d. Venting requirements are dependent on the type of fuel and type of chimney used. Chimney liners are required for gas, coal and wood fuels. Refer to the Virginia Weatherization Field Guide for chimney height requirements.
8. Clearance from Combustibles
- a. The inspector must judge whether a heating unit has sufficient clearance from combustible surfaces including walls, ceilings, floors, and framing materials.
 - b. The inspector should also check for stacks of newspapers, rags, oil, gasoline cans, and other combustibles which may pose a fire hazard. Any problems which are deemed hazardous must be corrected before weatherization work is performed.
9. Safety Controls
- a. The inspector must judge whether the condition of the safety controls poses a safety hazard. Do a visual inspection on these controls. Refer to a private contractor if in doubt due to possible risk involved in manual activation of some controls. Any problems which are deemed hazardous should be documented and corrected before weatherization work is performed.
10. Unvented Space Heaters
- a. Refer to the DOE Program Guidance on space heaters, WPN 08-4, dated March 3, 2008.
 - b. If an unvented space heater (for example, a portable kerosene heater) is the only source of heat, weatherization work must not be performed unless a safe heating system is installed. An information sheet should be provided which explains the hazards of unvented space heater use.
 - c. If an unvented space heater is used as a secondary heat source, the house may be weatherized. However, the client

must be provided an information sheet which explains the hazards of unvented space heater use.

Section 508- Lead-Based Paint

- 508.1** Testing is an allowable and should be done in accordance with the EPA RRP training. Job site set up and cleaning verification is required by a Certified Renovator. Abatement is not allowed.
- 508.2** DEPARTMENT OF ENERGY RULE REQUIREMENTS- Lead Safe Work Practices (LSWP) and Lead Renovation Repair & Painting (RRP) are addressed by DOE in WPN 10-1 section 5.13, WPN 09-6, WPN 08-6 and WPN 02-6. EPA 40 CFR part 745 is the basis for these requirements.
- 508.3** VA WAP LEAD SAFE WORK REQUIREMENTS- LSWP & RRP are a group of techniques that reduce the amount of dust produced by weatherization activities. When used correctly, they make the work area safe for workers and the home safe for residents when weatherization is complete.
1. All pre-1978 single-family dwellings and all pre-1978 mobile homes that have been painted must be tested for lead with an EPA approved test kit.
 2. Provide *Renovate Right* pamphlet to occupants before work begins.
 3. Obtain signature on Pre-Renovation form before work begins.
 4. Provide copy of Pre-Renovation form to occupant within 30 days after work begins. A copy of Pre-Renovation must be on site during weatherization activities.
 5. Dwelling work areas meeting the following conditions are exempt from LSWP:
 - a. Interior work disturbing less than 6 sq ft per room of painted surface. Cleanup and cleaning verification are also not required, unless the painted surface involves windows and/or doors.
 - b. Exterior work disturbing less than 20 sq ft per side of painted surface. Cleanup and cleaning verification are also not required, unless the painted surface involves windows and/or doors.
 6. Use LSWP & RRP during weatherization (follow EPA 40 CFR 745.85 attached).
 7. Recordkeeping (follow EPA 40 CFR 745.86 attached).
 8. For dwellings containing lead, Certified Renovator must complete and sign Certified Renovator compliance form (attached) and maintain in client file.
- 508.4** CERTIFICATION REQUIREMENTS
1. Each agency must be approved by EPA as a certified firm and copies of the certificate must be kept in every work vehicle.
 2. Each agency must have at least one Certified Renovator on staff and copy of certificate must be kept in every vehicle.
 3. All crew workers, including all Certified Renovators, must have a current LSWP training certificate. All crew workers must be trained by a Certified Renovator and documentation of training must be kept in every work vehicle.

508.5 Work Practice Standards taken from EPA 745.85 (EPA 40 PART 745—LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES)

508.5.1 *Occupant Protection-* Firms must post signs clearly defining the work area and warning occupants and other persons not involved in renovation activities to remain outside of the work area. To the extent practicable, these signs must be in the primary language of the occupants. These signs must be posted before beginning the renovation and must remain in place and readable until the renovation and the post-renovation cleaning verification have been completed

508.5.2 *Containing the Work Area-* Before beginning the renovation, the firm must isolate the work area so that no dust or debris leaves the work area while the renovation is being performed. In addition, the firm must maintain the integrity of the containment by ensuring that any plastic or other impermeable materials are not torn or displaced, and taking any other steps necessary to ensure that no dust or debris leaves the work area while the renovation is being performed. The firm must also ensure that containment is installed in such a manner that it does not interfere with occupant and worker egress in an emergency.

508.5.3 For *interior renovations* the firm must:

- Remove all objects from the work area, including furniture, rugs, and window coverings, or cover them with plastic sheeting or other impermeable material with all seams and edges taped or otherwise sealed.
- Close and cover all ducts opening in the work area with taped-down plastic sheeting or other impermeable material.
- Close windows and doors in the work area. Doors must be covered with plastic sheeting or other impermeable material. Doors used as an entrance to the work area must be covered with plastic sheeting or other impermeable material in a manner that allows workers to pass through while confining dust and debris to the work area.
- Cover the floor surface, including installed carpet, with taped-down plastic sheeting or other impermeable material in the work area 6 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to contain the dust, whichever is greater.
- Use precautions to ensure that all personnel, tools, and other items, including the exteriors of containers of waste, are free of dust and debris before leaving the work area.

508.5.4 For *exterior renovations* the firm must:

- Close all doors and windows within 20 feet of the renovation. On multi-story buildings, close all doors and windows within 20 feet of the renovation on the same floor as the renovation, and close all doors and windows on all floors below that are the same horizontal distance from the renovation.
- Ensure that doors within the work area that will be used while the job is being performed are covered with plastic sheeting or other impermeable material in a manner that allows workers to pass through while confining dust and debris to the work area.
- Cover the ground with plastic sheeting or other disposable impermeable material extending 10 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to collect falling paint debris, whichever is greater, unless the property line prevents 10 feet of such ground covering.
- In certain situations, the renovation firm must take extra precautions in containing the work area to ensure that dust and debris from the renovation does not contaminate other buildings or other areas of the property or migrate to adjacent properties.

508.5.5 *Prohibited and restricted practices.* The work practices listed below shall be prohibited or restricted during a renovation as follows:

- The use of machines that remove lead-based paint through high speed operation such as sanding, grinding, power planing, needle gun, abrasive blasting, or sandblasting, is prohibited unless such machines are used with HEPA exhaust control.
- Operating a heat gun on lead-based paint is permitted only at temperatures below 1100 degrees Fahrenheit.
- Open-flame burning or torching of lead-based paint is prohibited.

508.5.6 *Waste from renovations.*

- Waste from renovation activities must be contained to prevent releases of dust and debris before the waste is removed from the work area for storage or disposal. If a chute is used to remove waste from the work area, it must be covered.
- At the conclusion of each work day and at the conclusion of the renovation, waste that has been collected from renovation activities must be stored under containment, in an enclosure, or behind a barrier that prevents release of dust and debris out of the work area and prevents access to dust and debris.
- When the firm transports waste from renovation activities, the firm must contain the waste to prevent release of dust and debris.

508.5.7 *Cleaning the work area.* After the renovation has been completed, the firm must clean the work area until no dust, debris or residue remains.

508.5.8 *Interior and exterior renovations.* The firm must:

- Collect all paint chips and debris and, without dispersing any of it, seal this material in a heavy-duty bag.
- Remove the protective sheeting. Mist the sheeting before folding it, fold the dirty side inward, and either tape shut to seal or seal in heavy-duty bags. Sheeting used to isolate contaminated rooms from non-contaminated rooms must remain in place until after the cleaning and removal of other sheeting. Dispose of the sheeting as waste.

508.5.9 *Additional cleaning for interior renovations.* The firm must clean all objects and surfaces in the work area and within 2 feet of the work area in the following manner, cleaning from higher to lower:

- Clean walls starting at the ceiling and working down to the floor by either vacuuming with a HEPA vacuum or wiping with a damp cloth.
- Thoroughly vacuum all remaining surfaces and objects in the work area, including furniture and fixtures, with a HEPA vacuum. The HEPA vacuum must be equipped with a beater bar when vacuuming carpets and rugs.
- Wipe all remaining surfaces and objects in the work area, except for carpeted or upholstered surfaces, with a damp cloth. Mop uncarpeted floors thoroughly, using a mopping method that keeps the wash water separate from the rinse water, such as the 2-bucket mopping method, or using a wet mopping system.

508.5.10 *Standards for post-renovation cleaning verification*

508.5.10.1 *Interiors-* A certified renovator must perform a visual inspection to determine whether dust, debris or residue is still present. If dust, debris or residue is present, these conditions must be removed by re-cleaning and another visual inspection must be performed. After a successful visual inspection, a certified renovator must:

1. Verify that each windowsill in the work area has been adequately cleaned, using the following procedure.
2. Wipe the windowsill with a wet disposable cleaning cloth that is damp to the touch. If the cloth matches or is lighter than the cleaning verification card, the windowsill has been adequately cleaned.
3. If the cloth does not match and is darker than the cleaning verification card, re-clean the windowsill as directed in paragraphs (a)(5)(ii)(B) and (a)(5)(ii)(C) of this section, then either use a new cloth or fold the used cloth in such a way that an unused surface is exposed, and wipe the surface again. If the cloth matches or is lighter than the cleaning verification card, that windowsill has been adequately cleaned.

4. If the cloth does not match and is darker than the cleaning verification card, wait for 1 hour or until the surface has dried completely, whichever is longer.
5. After waiting for the windowsill to dry, wipe the windowsill with a dry disposable cleaning cloth. After this wipe, the windowsill has been adequately cleaned.
6. Wipe uncarpeted floors and countertops within the work area with a wet disposable cleaning cloth. Floors must be wiped using an application device with a long handle and a head to which the cloth is attached. The cloth must remain damp at all times while it is being used to wipe the surface for post-renovation cleaning verification. If the surface within the work area is greater than 40 square feet, the surface within the work area must be divided into roughly equal sections that are each less than 40 square feet. Wipe each such section separately with a new wet disposable cleaning cloth. If the cloth used to wipe each section of the surface within the work area matches the cleaning verification card, the surface has been adequately cleaned.
7. If the cloth used to wipe a particular surface section does not match the cleaning verification card, re-clean that section of the surface as directed in paragraphs (a)(5)(ii)(B) and (a)(5)(ii)(C) of this section, then use a new wet disposable cleaning cloth to wipe that section again. If the cloth matches the cleaning verification card, that section of the surface has been adequately cleaned.
8. If the cloth used to wipe a particular surface section does not match the cleaning verification card after the surface has been re-cleaned, wait for 1 hour or until the entire surface within the work area has dried completely, whichever is longer.
9. After waiting for the entire surface within the work area to dry, wipe each section of the surface that has not yet achieved post-renovation cleaning verification with a dry disposable cleaning cloth. After this wipe, that section of the surface has been adequately cleaned.
10. When the work area passes the post-renovation cleaning verification, remove the warning signs.

508.5.10.2 *Exteriors-* A certified renovator must perform a visual inspection to determine whether dust, debris or residue is still present on surfaces in and below the work area, including windowsills and the ground. If dust, debris or residue is present, these conditions must be eliminated and another visual inspection must be performed. When the area passes the visual inspection, remove the warning signs.

508.5.11 *Optional dust clearance testing.* Cleaning verification need not be performed if the contract between the renovation firm and the person contracting for the renovation or another Federal, State, Territorial, Tribal, or local law or regulation requires:

1. The renovation firm to perform dust clearance sampling at the conclusion of a renovation covered by this subpart.
2. The dust clearance samples are required to be collected by a certified inspector, risk assessor or dust sampling technician.
3. The renovation firm is required to re-clean the work area until the dust clearance sample results are below the clearance standards in §745.227(e) (8) or any applicable State, Territorial, Tribal, or local standard.

508.5.12 *Activities conducted after post-renovation cleaning verification.* Activities that do not disturb paint, such as applying paint to walls that have already been prepared, are not regulated by this subpart if they are conducted after post-renovation cleaning verification has been performed

508.6 *Recordkeeping and reporting requirements*

508.6.1 Firms performing renovations must retain and, if requested, make available to EPA all records necessary to demonstrate compliance with this subpart for a period of 3 years following completion of the renovation. This 3-year retention requirement does not supersede longer obligations required by other provisions for retaining the same documentation, including any applicable State or Tribal laws or regulations.

508.6.2 Records that must be retained pursuant to paragraph (a) of this section shall include (where applicable):

1. Reports certifying that a determination had been made by an inspector (certified pursuant to either Federal regulations at §745.226 or an EPA-authorized State or Tribal certification program) that lead-based paint is not present on the components affected by the renovation, as described in §745.82(b) (1).
2. Signed and dated acknowledgments of receipt as described in EPA §745.84(a)(1)(i), (a)(2)(i), (b)(1)(i), (c)(1)(i)(A), and (c)(1)(ii)(A).
3. Certifications of attempted delivery as described in §745.84(a) (2) (i) and (c) (1) (ii) (A).
4. Certificates of mailing as described in §745.84(a)(1)(ii), (a)(2)(ii), (b)(1)(ii), (c)(1)(i)(B), and (c)(1)(ii)(B).
5. Records of notification activities performed regarding common area renovations, as described in §745.84(b) (3) and (b) (4), and renovations in child-occupied facilities, as described in §745.84(c) (2).

6. Any signed and dated statements received from owner-occupants documenting that the requirements of §745.85 do not apply. These statements must include a declaration that the renovation will occur in the owner's residence, a declaration that no children under age 6 reside there, a declaration that no pregnant woman resides there, a declaration that the housing is not a child-occupied facility, the address of the unit undergoing renovation, the owner's name, an acknowledgment by the owner that the work practices to be used during the renovation will not necessarily include all of the lead-safe work practices contained in EPA's renovation, repair, and painting rule, the signature of the owner, and the date of signature. These statements must be written in the same language as the text of the renovation contract, if any.
7. Documentation of compliance with the requirements of §745.85, including documentation that a certified renovator was assigned to the project, that the certified renovator provided on-the-job training for workers used on the project, that the certified renovator performed or directed workers who performed all of the tasks described in §745.85(a), and that the certified renovator performed the post-renovation cleaning verification described in §745.85(b). If the renovation firm was unable to comply with all of the requirements of this rule due to an emergency as defined in §745.82, the firm must document the nature of the emergency and the provisions of the rule that were not followed. This documentation must include a copy of the certified renovator's training certificate, and a certification by the certified renovator assigned to the project that:
 - a. Training was provided to workers (topics must be identified for each worker).
 - b. Warning signs were posted at the entrances to the work area.
 - c. If test kits were used, that the specified brand of kits was used at the specified locations and that the results were as specified.
 - d. The work area was contained by:
 - Removing or covering all objects in the work area (interiors).
 - Closing and covering all HVAC ducts in the work area (interiors).
 - Closing all windows in the work area (interiors) or closing all windows in and within 20 feet of the work area (exteriors).

- Closing and sealing all doors in the work area (interiors) or closing and sealing all doors in and within 20 feet of the work area (exteriors).
 - Covering doors in the work area that were being used to allow passage but prevent spread of dust.
-
- Covering the floor surface, including installed carpet, with taped-down plastic sheeting or other impermeable material in the work area 6 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to contain the dust, whichever is greater (interiors) or covering the ground with plastic sheeting or other disposable impermeable material anchored to the building extending 10 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to collect falling paint debris, whichever is greater, unless the property line prevents 10 feet of such ground covering, weighted down by heavy objects (exteriors).
 - Installing (if necessary) vertical containment to prevent migration of dust and debris to adjacent property (exteriors).
- e. Waste was contained on-site and while being transported off-site.
 - f. The work area was properly cleaned after the renovation by:
 - Picking up all chips and debris, misting protective sheeting, folding it dirty side inward, and taping it for removal.
 - Cleaning the work area surfaces and objects using a HEPA vacuum and/or wet cloths or mops (interiors).
 - g. The certified renovator performed the post-renovation cleaning verification (the results of which must be briefly described, including the number of wet and dry cloths used).

508.6.3 When test kits are used, the renovation firm must, within 30 days of the completion of the renovation, provide identifying information as to the manufacturer and model of the test kits used a description of the components that were tested including their locations, and the test kit results to the person who contracted for the renovation.

508.6.4 If dust clearance sampling is performed in lieu of cleaning verification as permitted by §745.85(c), the renovation firm must provide, within 30 days of the completion of the renovation, a copy of the dust sampling report to the person who contracted for the renovation.

Section 509- Mold and Moisture

Although mold testing is not an allowable expense, a visual inspection is required during the audit and final inspection. Limited water damage repairs that can be addressed by weatherization workers and correction of moisture and mold creating conditions are allowed when necessary in order to weatherize the home and to ensure the long term stability and durability of the measures. Where severe Mold and Moisture issues cannot be addressed, deferral is required. See ***Drainage*** section of this chapter for allowable drainage measures.

Section 510- Pre-existing Occupant Health Risks

During the application process, clients should inform the agency of any known health concerns. The client should also be interviewed during the audit and educated on possible health risks before the installation of weatherization materials.

Section 511- Pests

Pest removal is allowed only where infestation would prevent weatherization. Infestation of pests may be cause for deferral where it cannot be reasonably removed or poses health and safety concern for workers. Screening of windows and points of access is allowed to prevent intrusion.

Section 512- Pollutants

Removal of pollutants (e.g., formaldehyde, volatile organic compounds) is allowed and is required if they pose a risk to workers. If pollutants pose a risk to workers and removal cannot be performed or is not allowed by the client, the unit must be deferred.

Section 513- Radon

Radon is a radioactive gaseous element formed by the disintegration of radium; occurs naturally (especially in areas over granite) and is considered a hazard to health. See ***Vapor Barrier*** for installation requirements to alleviate radon risks. Testing is allowable in areas with high radon potential.

Section 514- Smoke Detectors, Carbon Monoxide (CO) Detectors, and Fire Extinguishers

- 514.1** Installation of smoke and CO detectors are allowed only where they are not present or inoperable.
- 514.2** Smoke detectors must be UL rated and must be either battery-operated or hardwired. If battery-operated, a 5-year battery must be installed. Detectors must be installed in the following locations:
 - In each sleeping room.
 - Outside each separate sleeping area in the immediate vicinity of the bedrooms.

- On each additional story of the dwelling, including basements but not including crawl spaces and uninhabitable attics.

514.3 Carbon Monoxide detectors must be installed in each dwelling containing a combustion appliance. One detector must be installed on each floor and per manufacturer's specifications .

514.4 Providing fire extinguishers is permitted only when solid fuel is present.

Section 515- Vapor Barrier

515.1 Vapor barriers must be installed in every crawlspace unless skirting is missing on manufactured homes.

515.2 Vapor barriers must be a minimum 6 mil and joints must overlap by 6 inches and be sealed. Vapor barriers must be secured and sealed at the foundation walls. Vapor barrier must be sealed around penetrations (examples – piers, plumbing lines, fuel lines, etc).

Section 516- Ventilation

516.1 ASHRAE 62.2 standard is required. The Ventilation Calculation worksheet can be used to determine if and how much ventilation is required (See Virginia Weatherization Field Guide).

516.2 All kitchen and bath fans currently venting into the attic must be vented to the outdoors through roof fittings. Fans without operating back draft dampers must be repaired, equipped with back draft dampers, or the fan must be replaced. Check new fans for proper damper operation and measure air flow to be certain the fan is exhausting. A sidewall exhaust fan may be used where it is not feasible to install a range hood. Sidewall exhaust fans must have a measured flow of 65 cfm or greater.

516.3 Exhaust Fans

516.3.1 All exhaust fans must be repaired or replaced when inoperable. When replaced, fans must be vented to the outdoors.

516.3.2 All gas ranges must have an exhaust fan vented to the outdoors.

516.3.3 Any kitchen range vents that are repaired or replaced must be vented with rigid pipe.

Section 517- Water Heaters

Replacement is only allowed when the tank is leaking or there is significant rust. Repair and cleaning are allowed.

Chapter 5 – Health and Safety

Health and safety is referenced in the CFR: 440 rule and WPN 11-6.

Health and Safety repairs can only occur when weatherization measures are being performed.

Corrections of identified hazards must be charged to the Health and Safety budget category.

Energy related health and safety actions are those actions necessary to maintain the physical well being of both the occupants and/or weatherization workers where:

- Costs are reasonable; **AND**
- The actions must be taken to effectively perform weatherization work; **OR**
- The actions are necessary as a result of weatherization work.

A health and safety inspection must be completed as part of the Energy Audit. These inspections include, but are not limited to, the following:

- blower door testing for minimum ventilation rates (mvr) inspection and testing for unacceptable levels of carbon monoxide in the flue and ambient areas
- power supply inspections, repair, or upgrades
- inspection for gas leaks
- inspection for adequate combustion air for combustion heating appliances
- draft and pressure tests for combustion appliances
- inspection of vent systems, to include the chimney
- inspection for adequate clearance from combustibles
- inspection of safety controls on combustion appliances

Clients must be informed in writing of hazards that are identified during the audit and installation. The document must be signed by the client.

Upon failed inspection, subgrantees may use WAP H&S funds for the following work:

Air Conditioning Systems

Air conditioning system replacement or repair is allowable in homes of at-risk occupants when inoperable/nonexistent.

At-risk occupants are defined as:

- elderly (60 years or older)
- children (under the age of 6)
- occupants with health conditions that warrant the need for conditioned air

Asbestos

Siding—removal of siding is allowed to perform energy conservation measures. All precautions must be taken not to damage siding. Asbestos siding should never be cut or drilled. Recommended, where possible, to insulate through home interior.

Pipe insulation—encapsulation is allowed if performed by an Asbestos Hazard Emergency Response Act (AHERA) professional and should be conducted prior to blower door testing.

Where Asbestos (friable) is identified or assumed, the use of a blower door is prohibited.

Subgrantees/Contractors must have training/license required by the Virginia Department of Professional and Occupational Regulation to test and work with any asbestos containing material.

Drainage

The following are allowable drainage measures:

- gutters and downspouts
- flashing
- diverters
- sump pumps

Dryer Venting

Dryer venting is an allowable expense. Dryers should be vented to the outdoors and duct no longer than 35ft. This length is reduced by 2.5ft for every 45 deg bend and 5ft for every 90 deg bend.

Electrical

Replacement of knob and tube wiring is allowable where installing insulation. Upgrades and repairs are allowed when necessary to install HVAC equipment weatherization measures.

Gas Cook Ranges

Gas range replacement is **not** an allowable Health and Safety expense. However, cleaning and repair are allowable if high levels of CO are present. Costs shall not exceed \$300.

Heating Systems

Repair of heating systems is permitted under the following conditions:

- unsafe levels of carbon monoxide (CO)

- improper draft
- improper venting
- unsafe chimney

Replacement of heating systems is permitted under the following conditions:

- inoperable/nonexistent
- unsafe levels of carbon monoxide (CO) that cannot be remedied by repair

Heating Systems must be replaced for efficiency if the SIR is one or greater before being replaced as a H&S measure.

Solid Fuel Heating—maintenance, repair and replacement of primary indoor heating unit is allowed where occupant health and safety is a concern. Only maintenance and repair is allowed if used as a secondary heating system.

Lead Based Paint

Testing is an allowable and should be done in accordance with the EPA RRP training. Job site set up and cleaning verification is required by a Certified Renovator. Abatement is not allowed.

Mold and Moisture

Although mold testing is not an allowable expense, a visual inspection is required during the audit and final inspection. Limited water damage repairs that can be addressed by weatherization workers and correction of moisture and mold creating conditions are allowed when necessary in order to weatherize the home and to ensure the long term stability and durability of the measures. Where severe Mold and Moisture issues cannot be addressed, deferral is required. See the ***Drainage*** section of this chapter for allowable drainage measures.

Occupant Health Risks

During the application process, clients should inform the agency of any known health concerns. The client should also be interviewed during the audit and educated on possible health risks before the installation of weatherization materials.

Pests

Pest removal is allowed only where infestation would prevent weatherization. Infestation of pests may be cause for deferral where it cannot be reasonably removed or poses health and safety concern for workers. Screening of windows and points of access is allowed to prevent intrusion.

Pollutants

Removal of pollutants (e.g., formaldehyde, volatile organic compounds) is allowed and is required if they pose a risk to workers. If pollutants pose a risk to workers and removal cannot be performed or is not allowed by the client, the unit must be deferred.

Radon

Radon is a radioactive gaseous element formed by the disintegration of radium; occurs naturally (especially in areas over granite) and is considered a hazard to health. See **Vapor Barrier** for installation requirements to alleviate radon risks. Testing is allowable in areas with high radon potential.

Refrigerant

Refrigerant must be reclaimed, where necessary, per the Clean Air Act 1990, section 608, as amended by 40 CFR82. NRCERT is developing a refrigerant training class which will include these rules and regulations.

Relocation

Relocation expenses are allowable where the installation of weatherization measures may pose a risk to the client. Relocation assistance is not permitted for multi-family.

Smoke Detectors, Carbon Monoxide (CO) Detectors, and Fire Extinguishers

Installation of smoke and CO detectors are allowed only where they are not present or inoperable. Smoke Detectors must be installed on each floor, in each bedroom and the immediate vicinity of the bedrooms. Providing fire extinguishers is permitted only when solid fuel is present.

Vapor Barrier

Vapor barriers must be installed in every crawlspace unless skirting is missing on manufactured homes.

Water Heaters

Replacement is only allowed when the tank is leaking. Repair and cleaning are allowed.

Ventilation

ASHRAE 62.2 standard is required (where applicable) after January 1, 2012.

Prohibited Uses

Health and Safety funds may not be used for the following:

- Replacement of appliances unless explicitly listed in this chapter
- Asbestos abatement
- Lead abatement
- Major mold and moisture remediation
- Bacteria and virus remediation
- Building rehabilitation
- Correction of preexisting code compliance issues (State and local codes must be followed while performing weatherization work)
- Window and door replacement

Beyond the Scope of Weatherization

Health and Safety measures should not exceed reasonable costs. Discretion must be given when considering the level of these measures

Deferral & Referral

Deferral may be necessary in the following situations:

- The client has known health conditions that prohibit the installation of weatherization materials.
- The building structure or components are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost-effectively.
- The house has sewage or other sanitary problems that would further endanger the client and installers if weatherization work is performed.
- The house has been condemned.
- Moisture problems are beyond the scope of this guidance.
- The client is uncooperative, abusive or threatening.
- Any condition which may endanger the weatherization workers and is beyond the scope of this guidance.

The Subgrantee is required to develop a referral policy based on the resources available in their service area. The client must be notified in writing. This document must include the reason for referral and contact information of the agency receiving the referral.

Allowable Costs

Ten percent (10%) of all subgrantee WAP contract funds are reserved specifically for H&S activities. There is also an average per unit expenditure limit of \$650.00 (10% of the average cost per unit). Subgrantees may request reimbursement for H&S activities directly from this line item. Unused H&S funds may be converted to the Program Operations (support) budget category. Expenditures for H&S related activities listed on the H & S line item are not calculated into the average cost per unit for completed projects.

Crew/Contractor Safety

Workers must follow OSHA standards and Material Safety Data Sheets (MSDS) and take precautions to ensure the health and safety of themselves and other workers. MSDS must be posted wherever workers may be exposed to hazardous materials. OSHA 10 hour training is required for all workers.

OSHA 30 hour training is required for crew leaders. This will be verified during the annual technical monitoring visits. Training records will be verified annually during technical monitoring.

Workers must be trained in proper use of equipment and tools and must maintain any necessary or required licenses and/or certifications. Subgrantees are required to ensure that all workers are trained and that their training is documented in personnel files. Training costs may be reimbursed through the T/TA budget line item.

Client Education and Safety

Clients must be educated on any potential dangers existing in their home. Some common client education topics include:

- Combustion—if a heating system is present that requires combustion air, the client must be educated on the importance of keeping combustion air vents free and uncovered. Clients must also be informed if there are unsafe conditions that are discovered during the combustion appliance testing and be instructed not to operate it until it is repaired or replaced. If the conditions cannot be corrected by Weatherization or Health and Safety funds, the house must be deferred.
- Smoke and Carbon Monoxide Detectors—clients should be shown how to test and replace the batteries.
- Unvented Space Heaters—unvented space heaters should be removed whenever possible. Clients should be educated on the dangers of fuel-fired unvented space heater.
- Lead—the EPA’s lead pamphlet should be given to each client living in houses built prior to 1978.
- Asbestos—materials testing positive or assumed to contain asbestos should be identified and revealed to the client. Further instruction must be given on how to avoid disturbing such material, especially when it is friable.
- Moisture and mold—clients should be instructed on how to remove excess moisture from the dwelling (e.g., exhaust fans when taking showers or cooking).

Energy Auditor/Estimator/Inspectors are required to assess client households to determine if the clients are able to withstand the conditions that may be generated during the weatherization process prior to implementing weatherization measures. Clients must be informed regarding what conditions to expect and provided the option to leave the home during weatherization.

Hazards identified during weatherization must be documented and the client must sign that they received this documentation. This documentation must be maintained in the client file.

Existing Client Health Problems—Subgrantees are required to ask clients if there are existing health problems that may impact the services that can be provided and evaluate the potential to aggravate pre-existing health conditions. These problems will be documented and care will be taken to avoid exacerbating the problem.

Pollution Occurrence Insurance (POI)

Pollution Occurrence Insurance is not required; however, DOE strongly recommends Pollution Occurrence Insurance (POI) as a part of, or an addendum to, general liability insurance. These costs are also charged on the liability insurance line item. If subgrantees choose **NOT** to obtain POI coverage and damage occurs because of not following all aspects of Lead Safe Weatherization, or there is disturbance to any other environmental pollutants, the cost to do remediation, clean up, relocation, medical expenses, or any other resulting costs may not be charged to DOE Weatherization and must be covered by another funding mechanism.

Testing

Virginia Lead-Safe Weatherization (LSW) Practices

VA WAP LEAD SAFE WORK REQUIREMENTS

LSW training is required for all weatherization workers and is provided through NRCERT. Training will be verified annually through technical monitoring review of employee files.

Subgrantees and their contractors must follow EPA's Renovation, Repair and Painting Rule (RRP) and be certified by EPA and use certified renovators who are trained by EPA-approved training providers to follow lead-safe work practices.

Summary

All federal, state and local rules, regulations, and guidelines are applicable to subgrantees and subgrantee contractors. This includes health and safety rules and regulations as mandated by the federal Occupational Safety and Health Administration (OSHA) as well as by the Virginia Department of Labor and Industry (DOLI) and the Virginia Occupational Safety and Health (VOSH).

Health and safety practices apply to motor vehicle operation in addition to actual weatherization activities. Unauthorized drivers or untrained equipment operators can imperil a contractor's licensing. Lack of licensing will cause the revocation of provider or grantee status in the Virginia Weatherization Assistance Program.

Tools and equipment should be properly used, maintained, and stored. Vehicles should receive regular care and maintenance. Proper documentation regarding warranties, routine maintenance records, repairs, etc. is a critical aspect of acceptable safety practices.

Work must be done in such a manner as to protect workers and clients as much as possible.

The **Virginia Weatherization Field Guide** includes “best practices” that recognize safety issues and acceptable service delivery methods.

Chapter 6 – Financial Management and Administration

Financial Management

Sub-grantees must have the capacity to financially manage all grant funds. This includes the ability to fully track the receipt and disbursement of all grant funds, and the ability to implement and maintain standard, accurate, financial management practices that meet the definition of Generally Accepted Accounting Practices (GAAP).

Grant Agreement

Grant funds are made available to the sub-grantee through a grant agreement (binding agreement). Execution of the grant agreement signifies a commitment on the part of the sub-grantee to insure that all program requirements are properly implemented. The agreement may only be executed by an authorized representative of the Commonwealth of Virginia and the Chief Executive Officer of the sub-grantee organization. It specifies the terms and conditions of the agreement, such as:

- The total amount of funds available;
- The length or term of the grant agreement;
- The services to be rendered; and
- The name and title of any supporting documents or manuals which are incorporated and included into the grant agreement document by reference.

Grant agreements are for one year, and may be amended to increase, decrease, or re-allocate funding, or to extend the period of performance. Sub-grantees who exhibit a lack of capacity or any failure to perform the agreement as specified may be subject to termination and/or become ineligible for renewal.

Available Funds

The weatherization program is a federal, formula based grant program. The amount of funds available for each sub-grantee is determined by a formula that represents a portion of the total amount of funding available to the Commonwealth. The formula utilizes low-income population census data.

Financial Management System

Sub-grantees must have and maintain an accurate and effective financial management system that can consistently safeguard the receipt and disbursement of weatherization funds. A WAP financial management system must include the following components or their equivalents:

- Budget
- Accounting
- Internal Control

- Cost Allocation Plan
- Property Management
- Procurement Policy
- Audit Schedules
- Recordkeeping
- Reporting

Budget The WAP is a cost reimbursement program. Sub-grantees may expend funds and receive reimbursement in pre-determined cost categories or “budget” categories. Funds must be expended only for allowable activities. The program budget categories are:

- Program Operations
- Administrative
- Training and Technical Assistance
- Liability Insurance
- Financial Audits
- Health & Safety

Budget Adjustment Request and Budget Increase Request forms

These forms must be submitted for any budget adjustments increases or decreases. Send these forms to the both the primary and backup system administrators.

Program Operations (Hard Cost) Program Operations costs may include but are not limited to the following:

- Materials listed in Appendix A.
- Materials purchased for incidental repairs as defined in 10 CFR 440.
- Materials purchased for health and safety improvements (*NOTE: While health and safety costs are allowable under the Program Operations category, DOE recommends Grantees include in the budget a separate health and safety category*).
- Transportation of weatherization materials, tools, equipment, and work crews to a storage site and to the site of weatherization work.
- Maintenance, operation, and insurance of vehicles used to transport weatherization materials.
- Maintenance of tools and equipment. Purchase or annual lease of tools, equipment, and vehicles. *NOTE: All vehicle purchases shall receive prior DOE approval; any equipment \$5,000 or more shall also receive prior DOE approval. Neither Grantees nor Subgrantees may pre-pay leases that exceed the end of the grant period. The required fees related to building permits from local governments are allowable under this category.*
- Employment of personnel directly related to the operation of the Program: This category is defined for general consistency purposes such as weatherization coordinators' salary and fringe benefits spent in actual supervision of labor, client

intake, recordkeeping, etc. Storage of weatherization materials, tools, equipment, and weatherization vehicles. Space rental. As with vehicles and equipment, neither Grantees nor Subgrantees may pre-pay leases that exceed the end of the grant period. Utility costs at storage only, i.e., heat, lights, and water. Retrofitting storage facility.

- NOTE: Weatherization is a non-construction program therefore no construction of buildings or acquisition of real estate can be charged to this grant. Improvements to a property that are not in direct relation to carrying out Weatherization-specific tasks may not be considered allowable under this grant (e.g., paving a parking lot of the storage area is not considered allowable however retrofitting a storage facility with appropriate shelving to accommodate supplies would be deemed allowable).
- Grantees should consult with their respective Project Officer and/or DOE Grants Management Specialist to clarify any areas of Grantee question or concern. o Labor category expenditures are limited to those defined in 10 CFR 440.19.
- □Payments to employ labor or engage contractors including:

Payments to subcontractors; • Salaries and fringe benefits of crew members; and • Salaries and fringe benefits of crew leaders.

This category also includes auditors/assessors, quality control inspectors, field supervisors who are not installing materials, and warehouse personnel, such as inventory clerks, who are engaged in handling materials. □Because T&TA funds are limited, Grantees and Subgrantees may charge the cost of training to the T&TA category and the employee's time for participation in the event under the labor category.

Administrative (soft costs) – Grantee Administration and Subgrantee Administration are considered to be unique to each organization. The organization shall define its administrative costs consistent with the generally-accepted accounting practices and procedures within the organization.

Indirect costs can be included in Grantee Administration and will be considered an allowable cost provided there is a federally approved indirect rate(s) or cost allocation plan. The rate/amount allowable does not invalidate the program budget category limits. DOE has identified instances where certain administrative functions could be charged to the Program Operations Category because of the nature of the expense as it related to Program Operations (i.e., client intake, recordkeeping, salary/fringe of Program Managers and coordinators, telephone costs, etc.). DOE encourages Grantees to allow their Subgrantees to use this flexibility where it is appropriate. The Grantee must establish uniform guidance to identify which funds may or may not be charged as Administrative Costs.

Training and Technical Assistance (T/TA) – Reimbursement is available for costs to train weatherization staff to acquire, develop, or enhance the skills necessary to administer

the program. Staff includes agency administrators who are responsible for the program administration or coordinators, program coordinators, financial staff, estimators, inspectors, crew leaders, and crewworkers.

Allowable expenditures defined by 10 CFR 440 include:

- Costs incurred in the training and technical assistance for any Grantee or Subgrantee (including monitoring),
- Providing information concerning conservation practices to occupants of eligible dwelling units (client education),
- Evaluation of Program outcomes,
- Participation, travel, logistics of training activities and events,
- Grantee purchases of vehicles or equipment, which are directly related to specific training and technical assistance activities, such as monitoring, etc.
- T&TA funds shall not be used to purchase vehicles or equipment for Subgrantees to perform Weatherization services. The cost of these vehicles or equipment to support the Program must be charged to the vehicle/equipment or program operations categories.

Insurance – Reimbursement is available for costs related to liability, vehicle, and Pollution Occurrence Insurance. Vehicle insurance may be treated as an Administrative or Program Operations cost depending on the manner in which the vehicle is used. Agencies must remain consistent in how this cost is addressed over the life of the program.

Liability Insurance

All Grantees and Subgrantees must be covered by liability insurance. Liability insurance refers to the general contractor, or other policies that provide protection in case of personal injury or property damage resulting from the weatherization services. Liability insurance can be charged to the liability line item in the budget, which was created to ensure that such costs would not have to be charged to the administrative cost category. See preamble to the Federal Register Notice, 45 Fed. Reg. 13028, 13031, Feb. 27, 1980.

- Alternatively, the cost of liability insurance is part of the Average Cost Per Unit (ACPU) when the Grantee provides no allowance for the cost as a separate Budget Category in the Grantee State Plan. Liability insurance is also part of the ACPU when private contractors purchase policies as part of their service delivery requirements and pass that cost through to the material and labor rates charged to install energy efficiency measures. If the Grantee has a set-aside for Liability Insurance in their State Plan, the Subgrantees can purchase policies and not include the expense as part of their ACPU. This provision was established to cover general agency liability insurance and does not include any vehicle related insurance.
- Most, if not all, regular liability insurance policies do not provide for many health and safety measures such as lead and other pollution occurrence items. Thus, DOE recommends Pollution Occurrence Insurance (POI) as a part of, or an addendum to, general liability insurance. These costs are also charged on the liability insurance

line item. If Grantees or Subgrantees choose NOT to obtain POI coverage and damage occurs or there is disturbance to any other environmental pollutants, the cost of remediation, clean up, relocation, medical expenses, or any other resulting costs may not be charged to DOE Weatherization and must be covered by another funding source.

Leverage – DHCD does not currently budget leveraging funds for subgrantees. If in the future funds are budgeted, DHCD will notify the network in writing. *Landlord contributions are not considered leveraged resources because they are generally not voluntary and often come with special stipulations or requirements.*

Financial Audits – Program financial audits are required by 10 CFR 440.23(d) and are allowable as either an Administrative expense or as a separate Budget Category in the State Plan. In the past, the cost of these audits was charged to the already over-burdened administrative cost category and sometimes resulted in less than adequate, quality financial audits. Grantees are encouraged to provide relief through the creation of a Financial Audit Budget Category, thus allowing these charges to be covered when Subgrantees meet the threshold contained in A-133. If weatherization is one of several programs within an agency being audited, only the fair-share proportion of the overall financial audit costs should be charged to the DOE award. *NOTE: OMB Circular A-133, revised June 26, 2007, should be consulted for thresholds, etc. and additional questions should be directed to the Contracting Officer.*

Health & Safety – Reimbursement through DOE is available for costs incurred to correct hazardous conditions that must be done before a weatherization measure is completed, because it would threaten the health and safety of the occupants of the home. Health and Safety funds are not general repair funds. For example, repairing or replacing a combustion appliance because, sealing major air leaks would threaten the health and safety of the occupants.

Accounting

Subgrantees must have a financial system that associates WAP revenues with WAP expenditures. There must be an independent accounting record that has separate assets, liability, revenue, expenditure, and a fund balance account for each grant.

All ledgers must be maintained in a manner which will facilitate the preparation of internal and external reports. (At a minimum)

A WAP financial management system must include the following components or their equivalents:

- a. **Chart of Accounts** - a code system to identify all weatherization receipts and disbursements.
- b. **Books of Account** – where all purchasing and payment information is recorded

- c. **Fixed Asset Ledger** - the record of all assets that are necessary for the business to exist and are non-tradable
- d. **Administrative Policy and Procedures** – the written policy and process for running the business
- e. **Procurement Policy** – the standardized system for obtaining materials or services from an outside source
- f. **Source Documents** – contracts, purchase orders/requisitions, invoices, bank statements, cash receipts, deposit receipts, payroll records, time sheets, payment vouchers, cancelled checks, receiving reports, deposit receipts, leverage income or expense documentation, etc.

Provisions must be in place for the classification and presentation of the estimated and actual costs of a weatherization project (**Budget Controls**).

- Procedures for determining the allowance of costs in accordance with the material provisions of **10 CFR 440** and financial provisions of **10 CFR 600.121**
- Provisions to account for and document the source or expenditure of weatherization funds and any other program resources (Source Documentation)
- Provisions to provide for complete, accurate and up-to-date financial information regarding weatherization projects and expenditures. (This allows the provider to meet the reporting requirements of the WAP)

Provisions must be in place for the classification and presentation of actual costs of a weatherization job. Actual job costs must be documented and retained for financial reviews during compliance monitoring visits.

Controls for cash flow and resource expenditures must be in place to ensure service delivery prior to reimbursement. Grant money disbursements are sent as reimbursement to the providing agencies after the work is complete. Providers must budget their resources and cash accordingly

Internal Controls

Subgrantees must ensure separation of responsibilities such that the responsibilities related to the receipt and disbursement of funds resides with separate individuals. The separation of these duties helps to safeguard the agencies' assets, promotes operational efficiency, and adheres to customary management policies and procedures.

The basic elements of an adequate internal financial control system will include, but are not limited to, a separation of accounting functions. These functions are:

- Receipt and posting of funds;
- Request or requisition of funds;
- Authorization or approval for disbursement or expenditure;

- Disbursement of funds.

Cost Allocation Plan

The requirement to develop and maintain an updated written Cost Allocation Plan is based on 10 CFR 600 and OMB A-122.

The designated representative or Board of Directors of the organization must approve the cost allocation plan annually.

Costs incurred in connection with programs are eligible charges against contracts, whether incurred by the program itself or another program that provided supportive services, as long as the costs are necessary for the efficient performance of the contract.

The cost principles are the federal regulations which must be followed to insure that federally assisted programs incur costs in a manner that enables each program to pay its *fair share* of costs recognized under these principles, except where restricted by law.

Depending on the specific requirements of each funding source, costs can be shared within the same funding source as well as between funding sources.

Salaries, office rent and travel expenses are some of the costs that may be allocable to multiple funding sources. Organizations are required to develop techniques that will provide measurable bases upon which costs may be linked to services and/or activities.

All costs allocated by the plan must be supported by formal accounting records that substantiate their propriety. The cost allocation plan links the accounting records and the reported expenses of the recipient organization.

Allocation of Costs:

Some of the methods of allocating costs, i.e., total direct costs, direct salaries, person-hours, square feet, hours usage, documents processed, number of clients served, etc.

- Identify each of the shared costs that should be allocated.
- Identify each of the shared costs that will be included as part of the indirect cost pool, if applicable.
- Determine the method by which costs will be allocated so that each program is paying for its proportionate share of the benefits derived from the costs.

The cost allocation plan should contain, but not necessarily be limited to, the following:

- The nature and extent of the activities provided and their relevance to the contract supported services.
- A list of the expense items to be charged to the contract.
- The methods to be used in distributing the costs.

- Identify the type and cost of each service to be allocated within the plan.
- Determine the method (unit) for allocating the costs of each service to user programs.
- Allocate costs mathematically to user programs (i.e., calculate proportionate shares of costs).

Property Management

Federal regulations govern the acquisition, use, and disposition of property with federal grant program funds. Subgrantees must be aware of and manage two types of property:

- Real property, where ownership is conveyed by a deed, (as in real estate);
- Personal property (all property that is not real property)

Note: The purchase of real property is not a grant eligible expense item.

Personal property may be further divided into two sub-categories

- Expendable personal property; and
- Unexpendable personal property.

Personal property is all property that is not real property. It may include office furniture, supplies, uninstalled materials, and intellectual properties. Unexpendable personal property includes, but is not limited to, equipment, vehicles, machinery, and tools.

Legal Compliance

All transactions and documentation of such transactions must be in full legal compliance with local, state and federal laws. Proper coding must be used. Proper ID and tax information must be obtained, maintained, and submitted as required. Failure of a provider agency to maintain its legal compliances will result in revocation of subgrantee status. This will mean the removal of that agency from the WAP.

Recordkeeping

10 CFR 600.242

10 CFR 600.153

All subgrantees are expected to maintain documentation of all program implementation activities in a clear, consistent, and orderly manner. Records provide a historical representation of the thoroughness and appropriateness of service delivery and conformance to applicable rules and regulations.

Files and records must be retained for three years after the close of the program year. The program year is closed after a satisfactory compliance monitoring is received.

The Local Administrator shall maintain such records in such a manner as will be prescribed. Records shall be readily accessible to DHCD, appropriate state and federal agencies, and the general public during the course of this Agreement and shall remain intact and accessible for three years thereafter. The exception is if any litigation claim or audit is started before the expiration of the three-year period, the records shall be retained until such action is resolved.

Records must be maintained until completion of action of all litigation, claims, negotiations, or audits. For property and equipment, the retention period starts upon disposition of the property/equipment.

Financial records, supporting documents, statistical records, client records, or any other pertinent information must be kept for three years. A record keeping system is more complete if these records can be easily cross-referenced or accessed. A cross-referencing process can be created by using date, job ID number, address of service delivery, invoice number, etc.

Note: Client records contain personal information about the client. This information must be protected. Client files must not contain social security numbers.

Records consist of two main types, administrative and client. Administrative records include all documents related to program implementation, including financial records that are not directly related to individual client names and client property addresses.

Administrative records and files are associated with the following general areas:

- Contracts, amendments
- Financial Management
- Procurement and Advertising
- Fair Housing
- Personnel Training and Certification
- Vehicle, Equipment, and Materials Inventories or ledgers.

Client Record Keeping

While each subgrantee has its own client intake process and forms, all subgrantees are expected to maintain the same basic client information. Since the database provides the best means to maintain large volumes of client records from many different program years for several years, the forms used to obtain the client information can and may vary from agency to agency. However, hard copies of the information used to obtain the information must be retained because these documents contain client signatures that indicate their authorization to collect their personal information and to perform construction work on their property.

The intake interview obtains information that qualifies or disqualifies a client for inclusion in the Weatherization Assistance Program. Specific demographical information about the

client is required for reporting to DHCD and the federal government. This information must be maintained in the client records. This includes:

- Owner Name
- Occupant Name
- Vulnerability Determination (elderly, disabled, or children present);
- Number of residents in the household;
- Income
- Property Information;

In addition to the client record information listed above, the following must be kept filed with each client record as well.

Each agency is required to maintain an individual client file for each job completed that must include the following color photos (digital memory card or printed):

- Before & After color photos of all weatherization measures completed to include incidental repairs and health and safety measures
- Before & After color photos of any re-work issues found during the final inspection and then corrected prior to submittal of the job as a completion

The color photos are to be kept in the client file and must be made available to DHCD upon request via email or mailing. Faxed or black and white photos are not acceptable.

Note: Providers must remember that **personal information is private information**. In addition to the requirement to maintain records all efforts must be made to insure the privacy and dignity of the client.

Client records must include service delivery information. Service delivery information includes, but is not limited to, the following:

- Inspector/Estimator Report
- Work write-up or work description
- Crew identification
- Weatherization Measures Installed;
- NEAT Reports;
- Job Completion Date;
- Job Final Inspection Date;
- Materials/and equipment installed

(Note: The job completion and final inspection dates are critical to determine matters related to re-weatherization). This documentation can also assist in protecting the providing agency from liability issues or claims of fraud.

Client records are reviewed as part of the compliance monitoring. These files are reviewed to ensure client eligibility and client acceptance of work and other items.

Financial records

Financial records occur in two major categories—“Revenue” (income) and “Costs” (expenditures). Each major category can be broken down into smaller parts as follows:

Revenue

- Grant Funds
- Program Income earned through grant supported activities
- Rental fees
- Earned Interest
- Other earnings

Costs

- Separate Cost Categories
- Liability Insurance
 - Business Insurance
 - Vehicular Insurance
 - Pollution Occurrence Insurance
- Materials Purchased for Weatherization
- Capital Expenditures
 - Structural
 - Vehicular
 - High Value Machinery/Equipment
- Program Operations
 - On Site Wages and Benefits
 - Vehicle Operations (maintenance and fuel)
 - Materials Storage
 - Contracted Labor
 - Other
- Administration
 - Wages and Benefits
 - Operations
 - Other
- Financial Audit
- Leveraging Efforts
- Training and Technical Assistance

These categories are established to conform with reporting requirements to DOE and state granting agencies. They are designed to be helpful for the local administrators in tracking and monitoring income and expenditures. These cost categories are intended to provide a link between reporting requirements as established by DOE and allowable costs listed in **OMB Circular A-122**.

References for general standards in handling program income can be found in **OMB A-102, Attachment E; OMB A-110, Attachment B; and 10 CFR 600.220**.

Costs

Costs are the actual money spent by the subgrantee to fulfill the services required. Costs are either “Allowable” or “Not Allowed”. Allowable costs are the direct and indirect expenses that support the weatherization program and can be properly invoiced. Allowable Costs are specifically defined by the **10 CFR 600 – non-profits 10 CFR 600.124 and states 10 CFR 600.225**.

Examples of Allowable Costs in the Virginia Weatherization Assistance program are attached at the end of this chapter. Examples of Non-Allowable costs are attached at the end of this chapter.

Vehicle and Equipment Purchase

Vehicles and equipment may be bought using WAP funding. Prior to the purchase of any vehicle or equipment over \$5,000.00 subgrantee agencies must receive written authorization of DOE through DHCD for purchases funded with ARRA or regular DOE funds and DHCD written authorization for purchases funded with LIHEAP funds.

Agencies must plan ahead and evaluate the need for vehicle purchases well in advance so that purchases are not delayed. To facilitate the process, please follow these steps:

- **Submit the Vehicle and Equipment Purchase Form asking for authorization for approval for the purchase of vehicles and equipment in excess of \$5,000 with the following information included:**
- Name of requesting Agency
- Where the vehicle will be used – Specify, full or part time use in Weatherization program
- A statement of whether this is a replacement or an expansion vehicle. If this is a replacement, how is the trade-in being addressed?
- Brief description of how the procurement was done, and confirmation that State and Federal procurement guidelines will be met

- What the funding source will be
- Copies of bid specs (vehicle description with options requested) and **all** bids received
- Statement that lowest bid will be selected, or justification if lowest bid not selected
- *This information can be submitted via e-mail, fax, or mailed letter, but must be submitted in writing to DHCD. Furthermore, approval of purchases for vehicles and equipment in excess of \$5,000 must be obtained prior to the purchase*

Upon receipt of this request, DHCD will submit a request to DOE to receive approval for the purchase. T&TA funds may not be used to purchase vehicles or equipment. The cost of vehicles or equipment to support the program may be charged to the vehicle/equipment or program operations budget categories.

The approval of the request is with the understanding that State and Federal procurement guidelines are adhered to and met. Once you have proceeded with your procurement procedure you must send proof of purchase documents within 45 days of the purchase. The approval is valid for 90 days from the date of the approval letter. If the purchase is not made you must notify DHCD in writing.

Note, DHCD must be listed as the lien holder for all vehicles .

An adequate inventory labeling and management system must be in place for all vehicles and equipment whose purchase price is greater than or equal to \$5,000.

Please forward the original title to DHCD, and retain a Department of Motor Vehicles copy for your records.

All vehicles and equipment must be documented and listed on a fixed asset ledger. Small tools and all materials must be listed on an inventory record.

Vehicles and equipment must be maintained to ensure operating efficiency and to preserve the life expectancy. Proper care for a vehicle requires that service(s) and/or repairs done to that vehicle be appropriately documented and will be reviewed during program monitoring.

All subgrantees must maintain comprehensive insurance on all vehicles. Additionally, vehicle operators must be licensed within the State of Virginia, and must be operated in a safe, legal, and proper fashion. If a program vehicle is involved in an accident, copies of the accident report and all insurance filings must be maintained in the program administrative files.

When purchased, vehicles are for the explicit use of weatherization program staff to conduct weatherization related travel. This travel includes, but is not limited to, client intake visits, project estimation and inspection, and meeting and conference attendance.

Weatherization vehicles are not intended for generalized office use, may not be used for staff travel to and from home and the vehicles may not be parked at the home of any agency personnel over night for more than one night.

Vehicle and Equipment and Disposal

Vehicles or equipment purchased with ARRA, regular DOE or LIHEAP funds which have no more useful life may be sold or discarded (junked). DOE and DHCD requires that vehicles and equipment must be offered to the weatherization network before it is sold or discarded otherwise. Written permission must be received from DOE and DHCD (For LIHEAP funded purchases) prior to the offer. Items may be sold on the open market to any purchaser only after all subgrantees have had an opportunity to make an offer to purchase and have declined. To receive written, permission, subgrantees must send the Vehicle and Equipment Disposal form and a letter to DHCD with all appropriate vehicle information and request a vehicle transaction. DHCD will secure the necessary written permission from DOE. Subgrantees will then receive a follow-up notice that the transfer, disposal, etc., has been authorized.

Funds received from the sale of a vehicle or equipment must be used to complete the replacement purchase of other vehicles or equipment or for other program support related activities. Subgrantees may not depreciate the value of the vehicles for the business benefit of their agencies.

A vehicle ownership may be transferred between subgrantees if permission for this transfer is obtained from DHCD. If the vehicle changes hands, the vehicle's new owner operator is responsible for updating the registration. When a vehicle is subjected to a location change for any reason, proper licensing and insurance maintenance require that its registration be changed accordingly.

DHCD will maintain a general inventory list of grant funded vehicles in use by providers. Equipment and inventory ledgers will be reviewed during monitoring visits. The list of vehicles will be updated on a regular basis.

Subgrantees are advised to take pictures of the vehicle for their insurance purposes. These pictures should be updated regularly. They provide documentation of visual condition and can be used as part of explaining any physical changes that may occur to the vehicle.

Procurement

Subgrantees must follow fair and open procedures for the purchase of goods and services with federal funds, in addition to all applicable federal and state procurement laws and regulations. Fair and open purchase procedures require that advertisement be placed in local papers when goods and services are to be procured, or that documented telephone or written price quotes are obtained before a purchase is completed. One annual advertisement about the intent to purchase materials or procure services can suffice for adequate notice.

Additional notice may be required if procurement occurs outside the scope of any completed advertisement.

Federal regulations related to procurement are found in **10 CFR 600.140-148 (for Non-Profits)** and **10 CFR 600.236 (for State and Local Governments)**.

Subgrantees must have a local procurement policy that establishes the benchmark for small purchases and competitive bidding. Other procurement guidelines are as follows:

- When appropriate, an analysis should be made of lease and purchase alternatives to determine which would be the most economical and practical.
 - Procedures must be in place to insure that duplicated materials or services are not purchased or contracted.
 - Maintain records (accounting and accountability documentation) that detail the significant history of procurement.
 - The bid process must be open and available to all qualified bidders.
 - There must be a clear and accurate description of the goods, materials, or services required (with technical information available if requested).
 - Formal Advertising required when Sealed Bids required.
 - Grantees and subgrantees are encouraged to use federal excess and surplus property whenever possible.
 - Grantees and subgrantees are required to give preference to minority firms, women's business enterprises, and labor surplus firms.
- **Note:** Subgrantees are not prohibited from combining all or part of their procurement process in order to take advantage of price breaks given for bulk purchases or to reduce costs in the process. However, if this is done, a contract or procurement agreement must clearly specify "which agency" receives "what benefit" from the procurement, and the agreement must specify the cost each individual agency must pay. If either provider defaults in this process it would financially damage both agencies.
- *This information can be submitted via e-mail, fax, or mailed letter, but must be submitted in writing to DHCD. Furthermore, approval of purchases for vehicles and equipment in excess of \$5,000 must be obtained prior to the purchase*

Procurement records for large purchases (or subcontracting services) must be kept and contain the following information:

- Solicitation Document
- Documentation of Advertisement
- Attendees and Minutes of Bidders Conference
- Bids/Proposals/Quotations Received
- Documentation the Requirements Satisfied
- Evaluation Panel Members
- Evaluation Work Papers

- Notice to Successful Vendor(s)/Contractor(s)
- Why and how the specific contractor was selected
- The basis for the cost of the materials or services procured

Procuring agencies must have a legal and binding contract with the supplier. This contract must have administrative, contractual, or legal remedies in case of any breach by the supplier. This contract must contain suitable terms for the termination of the contract and basis for settlement in recourse if needed.

For Profit Activities

Some agencies have opted to generate income beyond grants and donations by providing weatherization on a fee for service basis. “For Profit Activities” are agency actions to provide weatherization services for other organizational programs, organizations, or home owners that are not income eligible for this program. For Profit Activities generate “program income” for providers. A provider may use equipment acquired through the grant process as allowed by **10 CFR 600.124, 10 CFR 600.134 (paragraph b) and CFR 600.232 (section 3)**. There are specific restrictions for this usage. These restrictions are:

- Use of this equipment may not detract from or hinder in any way the delivery of grant funded weatherization services.
- All funds generated by these activities must be designated as program income and will be used for non-profit weatherization services.
- All equipment use and maintenance records must be documented separately from grant funded weatherization.

Equipment, Tools, and Vehicles Inventory

Subgrantees are required to maintain a record or inventory of all equipment, tools and vehicles purchased with grant funds, and to submit this inventory to DHCD during each compliance monitoring visit. Records are required for all vehicles, and special notations are required for any equipment that is amortized or receiving debt service from grant funds. These records contain the basic information about items purchased and include:

- Item name, description and condition (e.g. new, fair, poor).
- Mileage Log
- Storage location and address.
- The manufacturer’s serial number, model number, federal stock number, national stock number, or other identifying number.
- Purchase fund source and type.
- Vehicle title holder.
- When acquired and purchase cost.
- Disposal status – date and manner of disposal.

- All items that cost over \$5,000.00 must have the approval documentation from the Department of Energy or DHCD for LIHEAP Funds.

Audits

All subgrantees must complete an independent annual audit. Audit requirements are set forth in **OMB Circular A-133**, “*Audits of States, Local Governments, and Non-Profit Organizations*”. Additionally, audits are required by **10 CFR 600.226**. All non-profit grant recipients or subgrantees (providers) are subject to non-federal audits as required by **10 CFR 600.126, the Single Audit Act of 1996 (31 U.S.C. 7501-7507)**, and (revised) **OMB Circular A-133 “Audits of States, Local Governments, and Non-Profit Organizations”**. Audits are to be submitted to the attention of the weatherization Program Administrator and must be submitted to DHCD audit within 30 days of completion.

Inventory and Warehousing

Providers are encouraged to purchase materials in bulk quantities to capture significant savings if the provider has the financial capability to do so.

As materials must be purchased with an agency operating account that is then expensed to the WAP once those materials have been installed, all paperwork received and a final inspection completed on the unit. Once this process is complete then the agency can invoice those expenses for reimbursement.

All materials must be stored properly in a secure environment.

Any warehousing must have an individual(s) responsible for the process. This individual(s) must have direct input to the procurement process.

Subgrantees must have a reconciliation process to account for the purchase and usage of warehoused items. A system must be in place that allows materials used to be billed & tracked back to the individual jobs.

A replacement schedule for materials usage should be established. A schedule for this purpose is designed by “checking in” materials as they are received and “checking out” materials as they are loaded on the trucks or used. In effect, a balance sheet is created to be used in figuring the actual amount of materials on hand. This balance sheet can be used as a tool for judging future materials usage and thereby increase efficiency in the provider’s procurement process and job scheduling. It will provide data necessary to better and more accurately estimate costs for jobs.

Chapter 7 –Data and Reporting

Report Requirements

The Department of Energy, DOE, requires quarterly reports on the amount of funds expended and the demographic information for the households assisted. Each project that receives any DHCD contracted funds shall be reported as an assisted project for the funding source. A single project may have multiple funding sources used and all reporting criteria must be completed as required by the funding source. Accurate and up to date sub-grantee operating procedures, financial management and administration information as well as client, project, technical and expense reports must be maintained in the local agency's files. DHCD may request any project, financial, budget, staffing information as well as any additional information as DHCD deems necessary. Sub-grantee agencies shall submit the requested data in a reasonable amount of time (7- 10 days) or within the specified deadline as requested by DHCD.

DHCD receives and tracks basic information on a monthly basis through the invoicing process, in order to monitor the rate of program spending and performance. Most of the information needed is reported via the Hancock reporting system.

The Hancock Software is a third party that is currently contracted to provide a web based weatherization reporting system for all sub-grantees throughout the state. Some fields in the database that receive required information will all be “mandatory” fields. Mandatory fields must be “filled” before data entry can be completed and reports submitted.

The DHCD System Administrator is Tom Stephens (804) 371-7064
The back-up System Administrator is Cassandra Lewis (804) 371-0671
Hancock Help desk (866) 358-5212
Hancock WAP Online Version 5 User Manual 2011 -
<ftp://ftp2.hancocksoftware.com/Downloads/>

There are additional activity reports that are required for the expenditure of certain types of funds or to document various activities. Although this information is required, there are no database fields for them at this time. Separate report forms have been provided for these reports. The report forms may ask for a brief, narrative descriptions, expenditure summaries and or activity documentation on projects such as Historic Preservation reviews, leverage activities, and training and technical assistance activities. It is required that local agencies track these activities.

Report Schedules

Invoices for both DOE and LIHEAP funds are submitted through the Hancock database. Sub-grantees normally request reimbursement for expenditures monthly. Reports are not required if there are no completed jobs or expenditures to report, however, sub-grantees should not go more than one month without submitting a report. Reimbursements are paid by DHCD when sub-grantees submit required reports providing information about the clients that have received service, activities completed, and equipment and supplies purchased. Client reports must be submitted on the assisted clients (occupants, not owners).

Along with the monthly invoices, sub-grantees must provide a detailed general ledger showing the monthly expenditures and a summary report with the total expenditures matching the General Ledger report.

The key information sought, in addition to the cumulative financial expenditures, is:

- Number of units, single-family, multi-family or manufactured homes assisted.
- Number of units occupied, by elderly, disabled, Native Americans or families with children 18 years old and children 5 or under.
- Total people in each household served including the target populations listed above and any additional non target people.
- Number of units that have been re-weatherized.
- Number of elderly persons, disabled persons, and children assisted
- total people in each household served which includes non target populations.
- Household income data The Hancock System will calculate once all application data is correctly entered (actual \$ amount of household Income, % of poverty, less than or more than 60% of State median income).
- Primary fuel used.

ARRA Program Financial and Job Reporting to DOE

DHCD compiles and issues this report quarterly. Local agencies need to pay special attention to accuracy and completeness. The required data is captured from local agency reports submitted through the separate ARRA reporting forms. Local agency information (job data, financial and demographic) is needed for ARRA monthly and more detailed quarterly reports. Entries must be accurate, complete and submitted on time.

1512 OMB Vendor Report and OMB Job Data Reports are due on or before the 5th day after the end of each quarter. A reporting template has been distributed for agency use. This report applies to ARRA funds only.

All vendors that are used in each quarter need to be reported (include 5 + 4 zip code), even if they have been used in the previous quarters.

Job reports include the hours worked for each category in the reporting template.

Davis - Bacon Certified Payrolls

Davis-Bacon requirements only apply to ARRA funds. Employees affected by Davis Bacon wage rates must be paid no less than weekly and payrolls must be submitted by the subgrantee to DHCD regularly. The local agency should review subcontractor payrolls for accuracy before sending them to DHCD.

LIHEAP Household Report

DHCD compiles and issues this report to the Department of Social Services. The required data is captured through local agency reports submitted through the data base. The LIHEAP/ DOE Weatherization Client Application (paper version distributed to applicants) must ask if the applicant has received a benefit from DSS in the current program year in the following programs; Cooling Assistance, Fuel Assistance or Crisis.

Children (5 or less) – In the Data base “Client General Demographic” section, there is a reporting field for children. This field will now be required. DOE requires reporting of children under 18. Liheap reports children in two categories - children 5 or less, children 5 years and 1 day and younger than 18.

DSS Case # - If the DSS case # is known this needs to be included in the client Intake menu under Documents.

Denied Clients- Liheap classifies denied as any client that is income eligible but is denied for any reason. This category also includes eligible clients on existing waiting list but not served by the end of the program year.

See the Multifamily section concerning two unique unit categories which may be completed under special conditions:

Vacant units

Unqualified but Eligible units

Social Security Numbers

Do not record Social Security numbers in the Hancock System. This could be a liability issue and DHCD advises not to record these numbers in the system

WAP Rank

The Hancock system has an automatic prioritization calculation to help prioritize service delivery to vulnerable persons.

Agencies must ensure that non-prioritized clients do not remain on their waiting list for more than two years. Once jobs are completed the system will rank these jobs as a “-1”

State Monitoring Capabilities

All Reports will be sampled to determine if eligible measures are being completed and if the costs and number of hours appear to be reasonable. Reports and invoices are inspected by the Weatherization technical monitors and Fiscal Analyst who will conduct a sample to identify any issues.

The technical monitors will use the Hancock system in selecting jobs to be monitored on site. The Final Inspection report will be checked to verify that every client job submitted with the

invoice has had a final inspection. The Weatherization Fiscal Analyst will verify that the amount submitted matches the detailed General Ledger and summary report. A hold may be placed on a job or invoice until any questions or issues are resolved.

Database User Authorization Update

DHCD will request user authorization updates from time to time in order to keep access to the Hancock system secure. Agencies are required to notify the DHCD system administrator of any personnel changes that require DHCD to update or deactivate users and upgrade/edit capabilities of new or existing personnel in the Hancock system.

Budget Adjustment Request and Budget Increase Request forms

These forms must be submitted for any budget adjustments increases or decreases. Send these forms to the both the primary and backup system administrators.

Chapter 8 - Multi-Family Weatherization

For duplexes, quads, and townhomes that are individually heated/cooled, there are differences in the way these buildings are addressed compared to other low-rise multi-family structures. For reporting purposes and eligibility purposes they are defined as multi-family buildings. However; for audit and installation of measures, follow the single family priority list. Also, these projects do not require Department of Energy (DOE) approval. The *Preliminary Assessment Form* is the only notification that must be sent to DHCD.

For the following process, multi-family buildings are defined as buildings with three stories or less (duplexes, triplexes, and quadplexes are defined as multi-family). DHCD allows weatherization only on buildings with 3 or fewer stories, 25 units or less, and units are individually heated/cooled. To weatherize buildings of 4 stories or more, 26 units or more, or centrally heated buildings, prior written approval must be obtained from DHCD.

Focus must be placed on the allowable weatherization work and NOT the allowable funding. Property owners must be educated by Weatherization Providers on the *Installation Standards* and the goal of energy efficiency rather than a rehab approach of replacing old systems and building components.

The Process

This process has been developed to provide subgrantees the ability to independently assess eligibility/feasibility, and to initiate, implement, and complete a multi-family weatherization project. An overview appears below and each step is explained in the appropriate section later.

1. Meeting with Owner (feasibility of project, *Installation Standards*).
2. Tenant Applications, collect hard copy income documentation or a printed list of tenants by unit showing income if property is on HUD list.
3. Based on number of eligible units, determine maximum allowable funding. Only one funding source may be used for a total investment of \$6,500 average cost per unit for each BUILDING, based on the measures identified by the audit.
4. Collect utility bills from previous 12 months.
5. Take photos as described in the Preliminary Assessment Form.
6. Collect and fill in information on Appliance Model Number form.
7. Completely fill in the Preliminary Assessment Form and send with all required documents to DHCD Program Administrator. This form must be completed by the Sub-grantee, not the property owner.
8. DHCD will review the documents. If complete, DHCD will notify NRCERT that property is ready for audit to be scheduled.
9. NRCERT will contact Sub-grantee to schedule audit. NRCERT will perform audits and train Sub-grantee auditors on at least the first two projects. After the second audit, DHCD will meet with NRCERT to determine whether Sub-grantee will perform future audits.
10. NRCERT will develop Scope of Work and send to DHCD.

11. DHCD will approve Scope of Work and NRCERT will send Audit Package to Sub-grantee.
12. Sign Project Agreement (DHCD template) between Agency and Owner.
13. Subgrantee will procure subcontractors to complete work.
14. Implementation- timeline, scheduling, order materials, notify residents, complete work, continuous quality control, technical oversight, recycle, storage of materials onsite.
15. DHCD must inspect when first building complete. Sub-grantee must schedule with DHCD technical monitor.
16. Sub-grantee Auditor must conduct a final inspection on each unit and perform the required blower door and other diagnostic tests.
17. Walk-through exit process with Owner.
18. Reporting (eligible, non-eligible). Whether applications are used or the HUD list is used, all required demographic information must be collected for reporting purposes.

Initial Meeting with Owner

Prior to the meeting, subgrantees will provide the owner with a packet containing all preliminary information and a list of all documents and information that will be required. This packet must include:

- A list of who must attend
- Agenda
- Income eligibility (hard copy documentation required in each client file, except for HUD properties as outlined in **Eligibility** section)
- Application forms
- Copy of “draft” agreement highlighting required information
- Fact sheet containing a list of priority measures and explaining the concept of weatherization
- Notification that previous 12 month’s utility bills must be collected
- Requirement that weatherization benefits accrue directly to the tenant in instances where the tenant pays for energy indirectly (through rent, vouchers, etc.) and need for owner to submit plan detailing accrual of weatherization benefits to tenants.
- Landlord matching funds policy

The following issues must be included for discussion during the meeting:

- Process for tenant notification.
- Subgrantees will emphasize the need for access to units during the audit, during the work installation, and for the final inspection.
- Request a copy of property layout or survey to help with planning and logistics.
- Subgrantees must inquire about any future construction plans that may impact weatherization measures.

- The owner must be given a deadline for submitting a completed applications packet to the subgrantee.
- A walk-through of the property must be performed and the following photos must be taken:
 - a. Take exterior pictures of all sides of building. If multiple building types on the same property, one set for each building type.
 - b. Take exterior pictures of both sides of the roof, any exterior HVAC or Ventilation units
 - c. Take interior pictures of a top floor and bottom floor unit to include:
 - kitchen (range/vent refrigerator)
 - bathroom including ventilation
 - utility room (mechanical units)
 - any additional HVAC, DWH appliances or Ventilation.
 - d. Take pictures of any common/utility areas that have mechanical systems.
 - e. Take interior pictures of crawlspace.
 - f. Take interior pictures of attic space.

Eligibility

For the purpose of multi-family weatherization, eligibility is determined on a building by building basis (common foundation). Not less than 66% of the dwelling units in the building must be eligible; however, all units in a building must be weatherized. For duplexes and quadplexes, not less than 50% of the dwelling units in the building must be eligible. **Income eligibility must be determined by the subgrantee.** Income certifications completed more than twelve months prior to the audit must be re-certified. However, applications must be certified before performing the audit (hard copy documentation required in each client file).

For HUD properties identified on the HUD/DOE list of income-eligible properties, subgrantees are not required to certify tenant income. A printed list of tenants by unit showing income must be maintained in the project file. Access to tenant's income information must be available for two years after weatherization work is completed.

The subgrantee must have a policy in place for owner contributions. This will include a minimum match of 15%. **ARRA funds do not require a match.** These funds may include improvements made within the past year or improvements that will be finished no more than 60 days after weatherization work is completed. **Landlord contributions must be utilized for weatherization of the property.** The following items may be counted towards the contributions:

- Capital improvements
- Cash match
- Cost to weatherize ineligible units

Weatherization costs for vacant units must be paid for by the owner, and these funds must be held in escrow for 180 days after the final inspection date. If vacant units are occupied by income eligible clients within 180 days after the final inspection, escrowed funds for those units will be returned to the owner.

Accrual of Benefits to Low-Income Tenants

Subgrantees must ensure that the benefits of weatherizing multi-unit buildings accrue primarily to the low-income tenants, including rental units where the tenant pays for energy through rent. In instances where a tenant does not pay for energy directly, a combination of several categories of benefits may be used. Benefits that could be combined, include, but are not limited to:

- Longer term preservation of the property as affordable housing;
- Continuation of protection against rent increases beyond that required under the WAP regulations (10CFR 440.22(b)(3)(ii));
- Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants;
- Investment of the energy savings from the weatherization work in specific health and safety improvements with measurable benefits to tenants;
- Improvements to heat and hot water distribution, and ventilation, to improve the comfort of residents; and
- Establishment of a shared savings program.

In instances where a tenant does not pay for energy directly, the subgrantee must secure an agreement with the owner detailing how the weatherization benefits will accrue directly to the tenants. This plan must be maintained in the project file.

Utility Bills

The previous 12 months' utility bills must be collected from tenants. By the final inspection date a minimum of 20% of tenant bills must be received. A documented record must be kept showing the collection effort.

Audit

Applications must be certified by the subgrantee before audits are performed. For properties appearing on the HUD/DOE income-eligible list, a printed tenant list showing tenant name and income by unit must be obtained by the subgrantee before audits are performed. Audits must be conducted in accordance with the Multi-Family section of the Virginia Weatherization Assistance Program *Installation Standards*. Tested units must be identified ahead of time to ensure the owner has a reasonable amount of time to notify tenants. A master key would also be useful during this process. The Home Energy Assessment checklist must be completed on each building. When the audit specifies replacement of a heating system, a NEAT audit must

be completed on that unit and a SIR of 1 or greater must be indicated. After the audits are completed, subgrantee will develop a materials list, cost data, and a scope of work.

During the audit, photos must be taken of each area that will be addressed by a WX measure (example: bypasses in attic).

Scope of Work and Notification to DHCD

The subgrantee must send copies of the audits, scope of work, photos, and completed Notification Form to DHCD. After these documents are reviewed, they will then be forwarded to DOE for approval. Once DOE approval is secured, DHCD will inform subgrantee to proceed

Second Meeting with Owner

The second meeting will include the following:

- Set a schedule
- Distribute responsibilities
- Discuss scope of work
- Meet owner's on-site representative and discuss access to buildings and units
- Obtain owner's plan for accrual of weatherization benefits to tenants in instances where tenants pay for energy indirectly
- Sign Multi-Family Project Agreement

Implementation

Weatherization measures will be installed. Post-WX photos must be taken of all areas addressed by a WX measure. After completion of the first building, the subgrantee must notify DHCD to set up an inspection before continuing. The project is considered complete after the subgrantee conducts final inspections on **all** units and all documentation is present in the project file.

Final Inspections must be performed by Subgrantee personnel and are not allowed to be subcontracted.

Record Keeping

A project file must be kept for 3 years and must contain the following information:

- Applications/income documentation, or for properties on HUD/DOE list, a tenant income list by unit
- Multi-Family Project Agreement
- Owner's plan for accrual of weatherization benefits to tenants in instances where tenants pay for energy indirectly

- Scope of work
- Audits
- Final inspection form for each unit inspected, performed by subgrantee
- Lead testing documentation
- Building Weatherization Report
- Materials list of measures installed on a per unit basis
- Exhaust fan documentation
- Before/after photos
- All associated invoices

Monitoring Vacant Units

The subgrantee must set up a system to determine the status of vacant units on the 180th day after the final inspection. Escrowed funds for units now occupied by eligible clients will be returned to the owner. Escrowed funds for units still vacant or now occupied by ineligible clients will be transferred to the subgrantee. The agency must then notify DHCD that units are not eligible and DHCD will determine whether funds may be used on additional eligible weatherization clients or returned to DHCD.

If units are occupied by eligible clients, client files must be set up with income verification and certification and all other required documentation. These files will be monitored during the DHCD administrative/financial monitoring.

**Chapter 8 – Multi-Unit Weatherization
Attachment 1**



(name of agency)

(address)

Phone (____) ____ - ____ Fax (____) ____ - ____

Multi-Family Weatherization Notification

Note-this form must be completed by the Subgrantee.

A. PROJECT INFORMATION

Project Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone #: _____

Agency Project Manager: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone #: _____

Agency Technical Manager (If different from above)

Address: _____

City: _____ State: _____ Zip: _____

Cell phone #: _____

B. OWNER INFORMATION

Address: _____

City/County: _____

Deed Book #: _____ Page #: _____ Date Filed: _____

Name (s) Under Which Title is Held: _____

Manner in Which Title is Held: _____

C. PHYSICAL CHARACTERISTICS OF THE BUILDING(S)

Building Type	# of This Type	# of Units Each Bldg	# of Floors	Foundation Type
Garden Style				
Town Home				
Quadplex				
Other				

Note- please attach a picture of each building type.

Number of Buildings: _____

Number of Eligible Buildings: _____

Total Number of Units: _____

Percent of Units That Are Income Eligible: _____

Total Number of Vacant Units: _____

Are the Units Individually Heated? ☐ YES ☐ NO

If no, Describe: _____

Type of Fuel: _____

D. PHOTOS

During the initial walk-through of the property, take the following photos:

1. Take exterior pictures of all sides of building. If multiple building types on the same property, one set for each building type.
2. Take exterior pictures of both sides of the roof, any exterior HVAC or Ventilation units
3. Take interior pictures of a top floor and bottom floor unit to include:
 - a. kitchen (range/vent refrigerator)
 - b. bathroom including ventilation
 - c. utility room (mechanical units)
 - d. any additional HVAC, DWH appliances or Ventilation.
4. Take pictures of any common/utility areas that have mechanical systems.
5. Take interior pictures of crawlspace.
6. Take interior pictures of attic space.

E. CONTACT INFORMATION

Title	Name	Address	Telephone	Email
Property Manager				
Building Superintendant				

F. TENANT INFORMATION

Number of Children Under Age 19: _____

Number of Elderly: _____

Number of Disabled: _____

Has Income Been Certified? ☐ YES ☐ NO

G. UTILITY BILLS

Utility bills must be collected and maintained in project file.

Heating Utilities Paid by the Occupants? ☐ YES ☐ NO

Other:

H. FUNDING SOURCES

Source	Amounts	Exp Dates
DOE Regular		
DOE ARRA		
LIHEAP		
Leverage		

I. Schedule

Tentative Start Date: _____

Projected Completion Date: _____

AGENCY AUTHORIZED REPRESENTATIVE SIGNATURE

Date: _____

Date: _____

ATTACHMENTS:

Audits for each building

NEAT audits for HVAC Replacements

Scope of Work

Photos

Chapter 8 – Multi-Unit Projects**Virginia Weatherization Assistance Program****Program Operations Manual**

Chapter 9 - Training and Technical Assistance

The **Low Income Home Energy Assistance Act of 1981, section 2609A**, authorizes Training and Technical Assistance (T&TA) funds to its Grantees and subgrantees. T/TA funds are for any activity that will maintain and increase the efficiency, quality, and effectiveness of the program. Further, the funds may be used to maximize energy savings, minimize production costs, improve overall program management, crew/contractor work quality and/or reduce the potential for waste, fraud, and mismanagement.

T/TA funds allow for the creation, maintenance, or support of any training program or activity that DHCD finds correct and necessary for the continuance or improved application of the WAP.

This training can be provided directly by DHCD, “out sourced” (training contractor), or individually obtained (subgrantees may identify and pursue any training necessary). It can vary from office skills training (introductory, intermediary, or advanced computer skills training, accounting classes, management and leadership skills development, etc.) to weatherization skills training (carpentry, framing, minor construction, etc.).

These funds are separate from the Operational or Administrative funds contracted to and received by the WAP providers for weatherization services. T&TA funds do not impact the average cost of weatherization to any units.

Each subgrantee receives a portion of the overall T/TA budget. DHCD retains a portion for costs related to monitoring, staffing, and conference planning. DHCD also retains a portion to be made available to subgrantees or to plan and sponsor various subgrantee activities such as the crew competition interchange, etc.

Subgrantees must complete any necessary procurement when purchasing goods and services.

Documentation for this training must include:

- Training dates and times;
- Training location;
- Attendees (attendance sign-in sheets counter-signed by the instructors);
- Course content or curricula;
- Training schedule, outline, or agenda;
- Copies of training materials;
- Instructors Resumes or Bios including list of licenses or certifications;
- Procurement documentation ;

Copies of all training documentation must be retained by the subgrantee and will be reviewed during a monitoring visit. No training funds for costs will be advanced by DHCD prior to receiving the invoice and any specially required support documentation.

Funding used for T&TA is to be focused towards maintaining and/or increasing the efficiency, quality and effectiveness of the WAP at all levels which result in:

- Maximizing energy savings.
- Minimizing production costs.
- Improving management.
- Improving crew or subcontractor work quality.
- Reducing the potential for waste, fraud, and/or mismanagement.

Examples of acceptable Training and Technical Assistance funds usage include:

- Compliance and Technical Monitoring;
- Evaluation Studies;
- Energy Audit Training;
- Technical Training;
- Certification Training;
- Lead Safe Weatherization Training;
- Management Training;
- Training Centers;
- Meetings or Conference Attendance;
- State Conferences;
- Interchanges;
- Client Education;

Unspent Training and Technical Assistance funds may be reallocated for weatherization operations. Unspent T&TA funds may not be reallocated to administrative or H&S expenditures.

Mandatory Technical Training

Required technical training for Virginia sub-grantees' Weatherization Assistance Program technical staff is outlined below.

All classes currently are available through the New River Center for Energy Research and Training (NRCERT).

Required for WAP Energy Auditors (required within 9 months of employment):

- Retrofit Installer Technician (RIT)
- HVAC Fundamentals
- Duct Sizing Class
- NEAT/MHEA Energy Audit Software
- ASHRAE 62.2
- Energy Auditor Classroom

- **Required for WAP Workers (required within 6 months of employment):**
 - Retrofit Installer Technician (RIT)
 - Lead Safe Weatherization (LSW)
 - OSHA 10 Construction Safety Course
- **Required for WAP Crew Leaders (required within 6 months of employment):**
 - Retrofit Installer Technician (RIT)
 - Lead Safe Weatherization (LSW)
 - OSHA 30 Construction Safety Course
- **Required Lead training:**
 - Lead Safe Weatherization (LSW). All WAP crew workers and sub-contractors working on Weatherization, LIHEAP, or SERC must complete this class
 - Renovation, Repair and Painting (EPA RRP rule)

(ii) On or after April 22, 2010, no firm may perform, offer, or claim to perform renovations without certification from EPA under §745.89 in target housing or child-occupied facilities, unless the renovation qualifies for one of the exceptions identified in §745.82(a) or (c).

(3) Individuals . On or after April 22, 2010, all renovations must be directed by renovators certified in accordance with §745.90(a) and performed by certified renovators or individuals trained in accordance with §745.90(b)(2) in target housing or child-occupied facilities, unless the renovation qualifies for one of the exceptions identified in §745.82(a) or (c).

Visit <http://www.epa.gov/lead/pubs/renovation.htm#contractors> for details.

Chapter 10 – Monitoring Policy and Procedure

Purpose and Goals

DHCD will monitor each subgrantee annually to ensure that the program is being implemented as required by DOE, and in accordance with the guidelines set forth in this manual. Monitoring is a process that allows DHCD an opportunity to visit subgrantee facilities and examine and evaluate each agency to assess their proficiency at program implementation.

Monitoring visits will fall into one of two categories. They are:

Technical Monitoring

- Program Overview (Client File Review, Work Orders, etc.)
- Equipment/Inventory/Materials
- Eligibility
- Rental Units
- Client Feedback
- Energy Audits
- Field Work
- Health & Safety
- Quality Assurance
- Training & Technical Assistance
- Qualifications & Training
- Weatherization of Unit
- Final Inspections

Financial and Administrative Monitoring

- Financial Management/Accounting Systems and Operations
- Administrative Management
- Audits
- Payroll/Personnel
- Financial Policies (Property Management)
- Procurement
- Davis Bacon (Recovery Act only)
- Invoicing
- Records Retention
- Reporting

The Compliance-Monitoring Process

Compliance monitoring will occur at least once each contract period (12-months). The number of visits and the time required for a visit is dependent upon the amount of

Chapter 10 – Monitoring

funding. The agency is required to furnish calibrated tools and equipment. It will follow a standard 4-step process which is:

1. notification and scheduling
2. review
3. exit interview
4. compliance report

Notification and Scheduling

The date and time will be negotiated with the subgrantee weatherization manager.

Review

Here is a brief description of the content of the monitoring categories:

1. *Program Management* – all programmatic administrative files directly related to the WAP must be present and available for review. This includes copies of contracts, contract amendments, public notice records, materials and equipment inventories, internal policies, insurance coverage, etc.
2. *Financial Management* – appropriate documentation will include accurate and complete reports of all WAP funds received and expended, with special emphasis on procurement records and vendor payments. Financial Management review may occur separately from the general administrative reviews and property inspections.
3. *Client Files* – all client files must contain:
 - An income-verified client-signed application
 - Hard copy documentation of income and ownership
 - Re-verified application after six months, if applicable
 - Owner agreement
 - Lead pamphlet sign-off
 - Lead Test Results, if applicable
 - Energy audit
 - NEAT or MHEA audit, if applicable
 - Materials inventory check-out or invoice
 - Contractor invoice, if applicable
 - Inspection
 - Client response
 - Job report

4. *Projects in Process* – the monitor will observe at least one energy audit and weatherization jobs (each) in progress by the agency’s crew or subcontractors. Additional energy audits and crew sites may be visited at the discretion of the monitor.
5. *Completed Projects* – the monitor will inspect no less than five jobs and up to ten percent (10%) of all jobs completed for the program year under review. Inspection includes review of project files as well as structures.
6. *Vehicles and Equipment*- agencies are required to have a list of weatherization vehicles and a list of equipment costing more than \$5,000.00.
 - a. *Vehicles* – must have a current inspection sticker, proper registration, and tax decals. Vehicular maintenance and repairs must be documented. Records must be available for verification, including mileage logs for each vehicle.
 - b. *Equipment* – must be routinely serviced and/or calibrated as required. All services and/or calibrations must be documented and these records available for verification.
7. *Inventory* – storage areas will be inspected to make sure that stock is safely and properly stored to protect personnel and inventory. The warehousing process and inventory records will be reviewed.

Exit Interview

Compliance-Monitoring visits will conclude with an Exit Interview with the Executive Director and the Weatherization Manager. The monitor will summarize the results, provide a verbal report of the outcome of the review, specify whether there were any findings of non-compliance, and any other concerns. Additionally, the monitor may make recommendations for staff training, education and/or overall areas of program improvement. It is also an opportunity for the agency staff to immediately address the findings and/or provide additional pertinent information that may impact the final report.

Compliance Report

A report of the Compliance-Monitoring visit will be completed and submitted to the agency’s Executive Director within 30 days after the visit, and a copy will be forwarded to the Weatherization Manager. In cases of non-compliance, agencies will have forty five days to correct findings and notify DHCD of the corrections.